



TENTATIVE RULING:

Defendant EquipmentShare's Motion to Stay is GRANTED.

Request for Judicial Notice

Defendant EquipmentShare requests the court take judicial notice of:

1) The Eastern District of California's Order Granting EquipmentShare's and Defendants' Allen and Torres's Motions to Dismiss dated June 26, 2020 (Exh 1) pursuant to Evid. Code § 452.

2) Plaintiff Ahern's Opposition to EquipmentShare's Ex Parte application, page 3, lines 6-26 (Exh 2), pursuant to Evid. Code §§ 452(h), 452(d).

Defendant EquipmentShare's supplemental request for judicial notice requests the court take judicial notice of:

3) The court's order, staying all civil court proceedings, dated July 14, 2020 in the action entitled Ahern Rentals, Inc. V. EquipmentShare.com, et al, San Joaquin County Superior Court Case No. STK-CV-UTK-2020-0003851(Exh 3), pursuant to Evid. Code § 452(d).

4) Ahern's First Amended Complaint filed on July 20, 2020 in the Eastern District Court (Exh 4), pursuant to Evid. Code § 452(d).

5) The Eastern District of California's Docket in the case Ahern v. EquipmentShare.com, et al., case no. 19cv1788 MCE (KJN) pursuant to Evid. Code § 452(d).

6) The Eastern District's order granting a stipulation to stay discovery pending the outcome of the hearing on Defendants' Motions to Dismiss in Ahern v. EquipmentShare.com, et al., case no. 19cv1788 MCE (KJN) pursuant to Evid. Code § 452(d).

Defendant's request(s) for judicial notice are granted.

Motion to Stay

Plaintiff argues the Eastern District action and the instant action are not related because they do not "involve the same parties and are based on the same or similar claims" under CRC Rule 3.00(a)(1), as the defendants in the Eastern District action include two other former Ahern employees, Matthew Allen and Derrick Torres, and this case includes former Ahern employee, defendant Aaron Deherrera.

Further, Plaintiff attempts to argue that the gravamen of the Eastern District case is employees Allen and Torres "using Ahern's proprietary information to target and convince key Ahern employees to leave Ahern and join ES", and the gravamen of this instant case which is Defendant Deherrera "using Ahern's proprietary information to unlawfully poach Ahern's current and prospective customers on behalf of ES", (Opp. p.3 ¶ 1)

However, the FAC filed July 20, 2020 in the Eastern District alleges that Defendants Allen and Torres used proprietary information to "unfairly and illegally solicit Ahern employees and customers to leave Ahern and join ES". (Def. Supp. Req. RJN, Exh. 4) Emphasis added.

"It is black letter law that, when a Federal action has been filed covering the same subject matter as is involved in a California action, the California court has the discretion but not the obligation to stay the state court action...In exercising its discretion the court should consider the importance of discouraging multiple litigation designed solely to harass an adverse party, and of avoiding unseemly conflicts with the courts of other jurisdictions. It should also consider whether the rights of the parties can best be determined by the court of the other jurisdiction because of the nature of the subject matter, the availability of witnesses, or the stage to which the proceedings in the other court have already advanced. The California Supreme Court also has isolated another critical factor favoring a stay of the state court action in favor of the Federal action, a factor which happens to be present in this case—the Federal action is pending in California not some other state". (Caifa Prof. Law Corp. v. State Farm Fire & Cas. Co. (1993) 15 Cal.App.4th, 800, 804.)

The gravamen of both the California Eastern District case and the instant case is EquipmentShare targeting Ahern's employees with the goal of an unfair competitive advantage in the national equipment marketplace.

All proceedings in this matter are STAYED pending order of the court.

The case management conference set for January 13, 2021 at 1:30 p.m. in Department 3 shall be vacated and reset for July 7, 2021 at 1:30 p.m. in Department 3.

In light of the court's ruling, Defendant EquipmentShare's Demurrer and Defendant Deherrera's Demurrer shall trail the case management conference date.

Unless a hearing is requested, this ruling is effective immediately. Neither further notice of the ruling nor a formal order per CRC 3.1312 is required.