

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF CALIFORNIA

IN RE: COMPLAINT AND PETITION  
OF WILLIAMS SPORTS RENTALS,  
INC., AS OWNER OF A CERTAIN  
2004 YAMAHA WAVERUNNER FX 140  
FOR EXONERATION FROM OR  
LIMITATION OF LIABILITY

No. 2:17-cv-00653-JAM-EFB

**ORDER GRANTING WILLIS' MOTION TO  
LIFT THE ANTI-SUIT INJUNCTION  
AND STAY FURTHER PROCEEDINGS IN  
ADMIRALTY**

MARIAN LATASHA WILLIS, on  
behalf of the Estate of  
RAESHON WILLIAMS,

Respondent/Counter Claimant

v.

WILLIAMS SPORTS RENTALS, INC.

Petitioner/Counter Defendant

WILLIAMS SPORTS RENTALS, INC.

Petitioner, Counter  
Defendant, and Third-party  
Plaintiff,

v.

THOMAS SMITH, KAI PETRICH,  
BERKELY EXECUTIVES, INC., ZIP,  
INC., and DOES 1-10

Third-party Defendants.

Following a jet ski accident that claimed the life of  
Raeshon Willis, Williams Sports Rentals, Inc. ("WSR") filed an

1 admiralty action under the Limitation of Liability Act  
2 ("Limitation Act"), 46 U.S.C. § 30501 et seq., and Rule F of the  
3 Federal Rules of Civil Procedure, Supplemental Rules for  
4 Admiralty or Maritime Claims. ECF No. 1. As required, the Court  
5 enjoined all other proceedings "arising out of, consequent upon,  
6 or in connection with" the accident. Order Approving Stipulation  
7 of Value, ECF No. 11; see also 46 U.S.C. § 30511(c).

8 Willis then requested the Court dissolve its injunction so  
9 she could join WSR in a suit pending in Alameda County Superior  
10 Court—a request this Court twice denied. ECF Nos. 56, 77.  
11 Ultimately, the Court dismissed Willis' counterclaims against  
12 WSR. Dec. 15, 2017 Order, ECF No. 61. Finding nothing left to  
13 adjudicate, the Court granted WSR's motion for exoneration. ECF  
14 Nos. 76, 77; see also Tr. of 7/30/19 Proceedings, ECF No. 83.  
15 See Nov. 26, 2020 USCA Memo. At 3, ECF No. 88; see also Dec. 18,  
16 2020 USCA Mandate, ECF No. 89.

17 WSR's victory was short-lived. Granting Willis' writ of  
18 mandamus, the Ninth Circuit revived Willis' negligent entrustment  
19 claim and remanded the case with instructions. Nov. 26, 2020  
20 USCA Memo. at 3-4. The Court of Appeals directed this Court to  
21 dissolve the anti-suit injunction and advised that the Court "may  
22 wish to reconsider whether to stay the proceedings until Willis'  
23 liability claim against WSR is adjudicated in state court." Id.  
24 at 3 (citing Newton v. Shipman, 718 F.2d 959, 961 (9th Cir.  
25 1983)). On remand, Willis filed a motion to lift the anti-suit  
26 injunction and stay further proceedings, likewise urging the  
27 Court to stay this action pending resolution of the state court  
28

proceedings.<sup>1</sup> ECF No. 90. WSR opposed Willis' motion. ECF No. 101. Willis then filed a reply. ECF No. 107.

For the reasons discussed below, the Court grants Willis' motion.

## I. BACKGROUND

The parties are familiar with the facts of this case. The Court need not recite them here, except as is useful in reaching the disposition.

## II. OPINION

### A. Judicial Notice

WSR requests judicial notice of: (1) Willis' admission that her claims against WSR do not arise under California law, and (2) Sentinel Insurance Company's motion to intervene in this proceeding. Request for Judicial Notice by WSR, ECF No. 108. Federal Rule of Evidence 201 permits a court to "judicially notice a fact that is not subject to reasonable dispute because it (1) is generally known within the trial court's territorial jurisdiction; or (2) can be accurately and readily determined from sources whose accuracy cannot reasonably be questioned." FRE 201(b). To this end, a court may take judicial notice of "court filings and other matters of public record." Reyn's Pasta Bella, LLC v. Visa USA, Inc., 442 F.3d 741, 746 n.6 (9th Cir. 2006).

Willis' admission and Sentinel's motion to intervene, ECF No. 104, are both proper subjects of judicial notice. The Court

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<sup>1</sup> This motion was determined to be suitable for decision without oral argument. E.D. Cal. L.R. 230(g). The hearing was scheduled for June 16, 2020.

1 therefore GRANTS WSR's request.

2 B. Subject-matter Jurisdiction

3 WSR's opposition brief raises questions about whether  
4 admiralty jurisdiction exists in this case. Opp'n at 8. To  
5 clarify: it does.

6 A party invoking admiralty tort jurisdiction must prove  
7 that: (1) the alleged tort occurred upon navigable waters; (2)  
8 the alleged tort had the potential to disrupt maritime commerce;  
9 and (3) the general character of the activity giving rise to the  
10 tort had a substantial relationship to traditional maritime  
11 activity. Grubart v. Great Lakes Dredge & Dock Co., 513 U.S.  
12 527, 534, 538-40 (1995). As Willis argues, "the situs of a tort  
13 for the purpose of determining admiralty jurisdiction is the  
14 place where the injury occurs." Reply at 3 (quoting Taghadomi  
15 v. U.S., 401 F.3d 1080, 1084 (9th Cir. 2004)). Although WSR  
16 rented its jet skis on the shore, Willis' death occurred on the  
17 waters of Lake Tahoe. Sec. Am. Compl. ("SAC"), ECF No. 46. The  
18 alleged tort therefore occurred upon navigable waters. Davis v.  
19 U.S., 185 F.2d 938, 943 (9th Cir. 1950) ("[T]he waters of Lake  
20 Tahoe are navigable waters of the United States.")

21 Moreover, the alleged tort had the potential to disrupt  
22 maritime commerce. This inquiry focuses not "on what happened  
23 in this particular case but on whether the general features of  
24 the incident have a potentially disruptive effect." In re  
25 Mission Bay, 70 F.3d at 1129 (emphasis in original) (citing  
26 Jerome B. Grubart, Inc., 513 U.S. 527, 533 (1995); Sisson v.  
27 Ruby, 497 U.S. 358, 363 (1990); Foremost Ins. Co. v. Richardson,  
28 457 U.S. 668, 675 (1982)). Similar to this case, In re Mission

1 Bay involved two women who suffered serious injuries after  
2 falling off the back of a jet-propelled personal watercraft.  
3 570 F.3d at 1125. In assessing the tort's potential disruption  
4 on maritime commerce, the Ninth Circuit found the incident was  
5 "best described as harm by a vessel in navigable waters to a  
6 passenger." Id. at 1129. The Ninth Circuit held "an incident  
7 of this class could have a potentially disruptive impact" on  
8 maritime commerce. Id. "Among other things, a vessel from  
9 which a passenger goes over board . . . would likely stop to  
10 search and rescue, call for assistance from others . . . and  
11 ensnarl maritime traffic in the lanes affected." Id. Given the  
12 similarity of Willis's accident to the one in In re Mission Bay,  
13 the Court finds this case satisfies the "potential to disrupt  
14 maritime commerce" requirement.

15 Finally, the Court finds the general character of the  
16 activity giving rise to the tort bears a substantial  
17 relationship to traditional maritime activity. As WSR  
18 implicitly acknowledges, this factor requires the Court to first  
19 identify "the activity giving rise to the tort." See Opp'n at 8  
20 n.1; Reply at 3-4. WSR contends that, as a negligent  
21 entrustment action, the activity giving rise to this tort was  
22 WSR's "shoreside rental of watersports equipment." Opp'n at 8  
23 n.1. Citing In re Complaint & Petition of Blue Water Boating  
24 Inc. ("In re Blue Water Boating"), 786 Fed. Appx 703 (9th Cir.  
25 Dec. 4, 2019), WSR argues shoreside rentals lack the requisite  
26 "maritime flavor" to trigger a court's admiralty jurisdiction.  
27 Id. This argument oversimplifies the Ninth Circuit's recent  
28 unpublished decision.

1        In re Blue Water Boating involved a Santa Barbara company's  
2 rental of a standup paddle board. The company filed a  
3 limitation action after a renter fell off a paddle board and  
4 drowned. 786 Fed. Appx. at 703-04. The district court  
5 dismissed the suit for lack of jurisdiction. See Complaint of  
6 Blue Water Boating, Inc. v. Mubanda, No. CV 18-1231-JFW (ASx),  
7 2018 WL 6075356, at \*4 (C.D. Cal. Mar. 27, 2018). The Ninth  
8 Circuit affirmed the district court, finding that standup-  
9 paddle-board rentals lacked a "close[] relat[ion] to activity  
10 traditionally subject to admiralty law." Id. at 705 (quoting  
11 Gruver v. Lesman Fisheries, Inc., 489 F.3d 978, 983 (9th Cir.  
12 2007)) (modifications in original).

13        The district court decision provides an even more detailed  
14 discussion of the issue. See Complaint of Blue Water Boating,  
15 Inc., 2018 WL 6075356, at \*4. This discussion focused, not on  
16 the relationship between rental companies and traditional  
17 maritime activity, but on the relationship between standup  
18 paddle boards and traditional maritime activity. See id.  
19 Comparing paddle board use to activities like swimming and  
20 surfing, the court found that "the relationship between the  
21 innocent operation of [stand-up paddle boards] and traditional  
22 maritime activity [was] virtually non-existent." Id.; see also  
23 Exec. Jet Aviation, Inc. v. City of Cleveland, Ohio, 409 U.S.  
24 249, (1972) (swimming-based torts lack a substantial  
25 relationship to traditional maritime activity); Spencer v.  
26 Lunada Bay Boys, No. CV 16-02129 SJO (RAOx), 2016 WL 6818757, at  
27 \* (C.D. Cal. July 22, 2016) (torts committed by individuals on  
28 surfboards lack a substantial relationship to traditional

1 maritime activity). In doing so, the district court expressly  
2 rejected the argument that the paddle used while paddle boarding  
3 made it more like a vessel, i.e., "a kayak or a rowboat," than a  
4 surfboard. Id.

5 Like the Central District of California, this Court finds  
6 that the pressing consideration in this analysis is what WSR was  
7 renting, not that WSR was renting it. WSR rents jet skis—  
8 personal watercrafts. The relationship between traditional  
9 maritime activity and WSR's rental of personal watercrafts for  
10 use on navigable waters is undeniable. See Yamaha Motor Corp.,  
11 U.S.A. v. Calhoun, 516 U.S. 199, 201-02 (1996) (exercising  
12 admiralty jurisdiction over suit involving a jet ski accident);  
13 In re Mission Bay, ("Being a vessel, this jet ski has a maritime  
14 connection."); Rigsbee v. City and County of Honolulu, No. 17-  
15 cv-00532 HG-KSC, 2018 WL 5017610, at \*3 (D. Haw. Oct. 16, 2018)  
16 ("Accidents involving jet skis are substantially related to  
17 maritime activities.").

18 The Court finds this suit falls within its admiralty  
19 jurisdiction.

20 C. Anti-suit Injunction

21 The Ninth Circuit instructed this Court to dissolve its  
22 previously issued anti-suit injunction. See Dec. 18, 2019 USCA  
23 Mandate. WSR nonetheless continues to litigate the propriety of  
24 allowing Willis' state court suit to go forward, urging the  
25 Court to place limitations on those proceedings. See Opp'n at  
26 8-9. The question of whether Willis' state court proceedings  
27 will prejudice WSR's limitation rights has become an unending  
28 carousel. See Tr. of 8/29/17 Proceedings at 39: 6-40:16, ECF

1 No. 44; Apr. 25, 2018 USCA Memo. at 3, ECF No. 69; Tr. of  
2 7/30/19 Proceedings at 24:6-9; Nov. 26, 2019 USCA Memo. at 2-3.  
3 The Court declines WSR's invitation to take another ride.

4 The Ninth Circuit's instruction to dissolve the anti-suit  
5 injunction was unequivocal. See Dec. 18, 2019 USCA Mandate.  
6 This Court takes the Ninth Circuit's mandate to mean what it  
7 says; no more, no less. Moreover, the Court does not find that  
8 any intervening changes in circumstance have, as WSR argues,  
9 mooted the Ninth Circuit's instructions. Contra Opp'n at 3-4.  
10 The Court therefore dissolves its previously issued anti-suit  
11 injunction.

12 D. Stay

13 In Limitation Actions, district courts may exercise their  
14 discretion in deciding "whether the limitation question must  
15 await trial of the liability issue." Newton v. Shipman, 718  
16 F.2d 959, 963 (9th Cir. 1983). Ultimately, "[t]he district  
17 court should select the most efficient manner of proceeding."  
18 Id. Willis argues the Langnes rule of abstention prescribes the  
19 most efficient course of action in single-claimant cases such as  
20 this one. Mot. at 3-4 (citing Langnes v. Green, 282 U.S. 531,  
21 541-42 (1931). Under this rule:

22 [T]he district court permits proceedings in state  
23 court to go forward on the question of liability and  
24 retains jurisdiction over any question that might  
25 arise as to the shipowner's right to limit his  
26 liability. If the shipowner either (1) wins in the  
27 state court or (2) loses, but only in an amount less  
28 than the value of his ship and its cargo, then the  
need for further proceedings in federal court is  
obviated. If the shipowner is found liable for more  
than the value of his ship and its cargo in the state  
action, further proceedings in the federal limitation  
action may be necessary, but only where the claimant  
contests the limitation.



1 See Mot. at 4 (quoting In re Complaint of McCarthy Bros., 83 F.3d  
2 828 (7th Cir. 1996)).

3 WSR disagrees that adhering to the Langnes rule would yield  
4 maximum efficiency here—namely, because the matter would get to  
5 trial more quickly if left in federal court. This argument rests  
6 on the assumption that, absent a stay, this Court would hold a  
7 pretrial conference hearing in this case on September 11, 2020  
8 “with a bench trial shortly to follow.” Opp’n at 10. That  
9 assumption is no longer valid. The Sacramento federal courthouse  
10 is currently closed to the public until further notice. See  
11 General Order 618 (May 13, 2020). When trials resume, criminal  
12 cases will take priority. Given these unprecedented times, the  
13 Court finds little value in speculating as to when this matter  
14 would go to trial absent a stay. But suffice it to say, WSR’s  
15 argument does not persuade the Court to depart from the practice  
16 set forth in Langnes, 282 U.S. at 541-42. The Court therefore  
17 stays further proceedings in admiralty pending the completion of  
18 Willis’ suit in state court.

19 III. ORDER

20 For the reasons set forth above, the Court GRANTS Willis’s  
21 motion to lift the anti-suit injunction and stay further  
22 proceedings in admiralty.

23 IT IS SO ORDERED.

24 Dated: July 27, 2020

25   
26 JOHN A. MENDEZ,  
27 UNITED STATES DISTRICT JUDGE  
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