

UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF
PENNSYLVANIA

Micahel Beard and M&B Services Incorporated v. Brian Whittaker,
et al.

Beard · No. 4:25-CV-01427 · Decided December 30, 2025

SUMMARY

The United States District Court for the Middle District of Pennsylvania denied defendants’ motion to stay a federal action under the Colorado River abstention doctrine. The court held that the state and federal proceedings were not parallel because they lacked substantial similarity of parties and claims, and further concluded that extraordinary circumstances warranting abstention were absent. The dispute concerns competing businesses and claims including intentional interference, fraudulent transfer, conversion, civil conspiracy, and unjust enrichment.

CASE DETAILS

COURT	United States District Court for the Middle District of Pennsylvania
WRITING FOR THE COURT	Matthew W. Brann
JURISDICTION	United States District Court for the Middle District of Pennsylvania
DECIDED	December 30, 2025
DOCKET	4:25-CV-01427
DISPOSITION	other
PROCEDURAL POSTURE	Defendants Brian Whittaker and BW Industrial LLC moved to stay the federal action under the Colorado River abstention doctrine based on a related pending Arizona state-court action.
STANDARD OF REVIEW	The court applied the Colorado River abstention doctrine, first determining whether the state and federal proceedings were parallel and then, if they were, whether exceptional or extraordinary circumstances justified abstention.
PRECEDENTIAL VALUE	unpublished, nonprecedential district court memorandum opinion
PARTIES	Micahel Beard, M&B Services Incorporated v. Brian Whittaker, BW Industrial LLC, Andrew Weitkamp, Starfire Services LLC, John and Jane Does 1-99, ABC entities 1-99

TOPICS

civil procedure

commercial litigation

subject matter jurisdiction

PRACTICE AREAS

civil procedure

commercial litigation

commercial law

QUESTIONS PRESENTED

1. Whether the Arizona state-court action and the federal action were parallel proceedings for purposes of Colorado River abstention.
2. Whether, even if the proceedings were parallel, exceptional circumstances justified staying the federal action under Colorado River.
3. Whether the risk of duplicative or piecemeal litigation alone supported abstention absent a strong federal policy against such litigation.

HOLDINGS

1. The proceedings were not parallel because they did not involve substantially similar parties and issues; in particular, none of the defendants overlapped between the actions and resolution of the state action would not necessarily settle the federal action.
2. Even assuming the proceedings were parallel, exceptional circumstances did not justify staying the federal action.

KEY QUOTATIONS

“Colorado River abstention is proper only in “exceptional circumstances where the order to the parties to repair to the state court would clearly serve an important countervailing interest.”” (Discussion)

“Therefore, the issues and parties are not substantially similar in the state and federal litigation and that litigation is not parallel for the purposes of the Colorado River abstention.” (Discussion)

“The doctrine is to be narrowly applied in light of the general principle that ‘federal courts have a strict duty to exercise the jurisdiction that is conferred upon them by Congress.’” (Conclusion)

FACTUAL BACKGROUND

Micahel Beard and Andrew Weitkamp formed M&B Services, Inc. in 2009, each owning 50 percent of the company. After negotiations concerning Weitkamp's purchase of Beard's shares failed, Weitkamp and former M&B employee Brian Whittaker formed BW Industrial LLC, and Weitkamp and another former M&B employee formed Starfire Services LLC; the new companies appeared to compete with M&B. Beard and M&B later pursued related litigation in Arizona state court and federal court, but the two actions involved different defendants and materially different claims despite overlapping factual allegations.

PROCEDURAL HISTORY

Plaintiffs filed the federal five-count complaint on December 31, 2024, after Beard had filed a related action in Arizona state court on July 24, 2023. The federal action was originally brought in the District of Arizona and was transferred to the Middle District of Pennsylvania on August 1, 2025. The court denied the defendants' motion to stay.

DISPOSITION

other

CASES CITED

- Colorado River Water Conservation District v. United States, 424 U.S. 800, 813, 817 (1976)
- McClellan v. Carland, 217 U.S. 268, 282 (1910)
- Kerotest Manufacturing Co. v. C-O-Two Fire Equipment Co., 342 U.S. 180, 182 (1952)
- County of Allegheny v. Frank Mashuda Co., 360 U.S. 185, 188-89 (1959)
- National City Mortgage Co. v. Stephen, 647 F.3d 78, 84 (3d Cir. 2011)
- Ryan v. Johnson, 115 F.3d 193, 196, 200 (3d Cir. 1997)
- Kelly v. Maxum Specialty Insurance Group, 868 F.3d 274, 283-84 & n.8 (3d Cir. 2017)
- University of Maryland at Baltimore v. Peat Marwick Main & Co., 923 F.2d 265, 276, 284 (3d Cir. 1991)
- Capriotti v. Rockwell, No. 19-3136, 2020 U.S. Dist. LEXIS 3645, at *7-11 (E.D. Pa. Jan. 7, 2020)
- Allen v. Youth Education Services of Pennsylvania, No. 12-4269, 2013 U.S. Dist. LEXIS 47863, at *7-8, *15 (E.D. Pa. Apr. 2, 2013)
- Trent v. Dial Medical of Florida, Inc., 33 F.3d 217, 224 n.6 (3d Cir. 1994)
- Weitzner v. Sanofi Pasteur, Inc., No. 3:11-cv-2198, 2012 U.S. Dist. LEXIS 67016, at *15 (M.D. Pa. May 14, 2012)
- Peloro v. United States, 488 F.3d 163, 175 (3d Cir. 2007)
- Blonder-Tongue Laboratories, Inc. v. University of Illinois Foundation, 402 U.S. 313, 324 (1971)
- Nationwide Mutual Fire Insurance Co. v. George V. Hamilton, Inc., 571 F.3d 299, 307-09 (3d Cir. 2009)
- Spring City Corp. v. American Buildings Co., 193 F.3d 165, 171-72 (3d Cir. 1999)
- Quackenbush v. Allstate Insurance Co., 517 U.S. 706, 716 (1996)
- Zehm v. Morgan Properties, No. 1:17-cv-1758, 2017 U.S. Dist.