

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEVADA

Sanwire Corporation v. Intercept Music Group, Inc. et al.

Sanwire · No. 2:25cv-01533-ART-CLB · Decided December 31, 2025

SUMMARY

The United States District Court for the District of Nevada grants Sanwire Corporation’s motion to remand, concluding that defendants failed to establish that Nevada defendant Intercept Music Group, Inc. was fraudulently joined. The court finds a possibility that Sanwire could amend its claims for conversion and unjust enrichment against the nondiverse defendant. The defendants’ motions to dismiss are denied as moot.

CASE DETAILS

COURT	United States District Court for the District of Nevada
WRITING FOR THE COURT	Anne R. Traum
JURISDICTION	United States District Court for the District of Nevada
DECIDED	December 31, 2025
DOCKET	2:25cv-01533-ART-CLB
DISPOSITION	remanded
PROCEDURAL POSTURE	Plaintiff moved to remand the removed action to Nevada state court, arguing that nondiverse defendant Intercept Music Group, Inc. was not fraudulently joined. Defendants moved to dismiss. The district court granted the motion to remand and denied the motion to dismiss as moot.
STANDARD OF REVIEW	On a motion to remand, the removing defendant bears the burden of establishing that removal is proper, subject to a strong presumption against removal. Fraudulent joinder is evaluated under whether there is any possibility that the plaintiff could state a claim against the nondiverse defendant in state court, including after amendment.
PRECEDENTIAL VALUE	Unknown

TOPICS

- subject matter jurisdiction
- civil procedure
- motions to dismiss
- conversion
- unjust enrichment

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether Intercept Music Group, Inc. was fraudulently joined so that its Nevada citizenship could be disregarded for purposes of diversity jurisdiction.
2. Whether the possibility that Sanwire could amend its complaint to state conversion or unjust-enrichment claims against Intercept Music Group required remand.
3. Whether defendants' motion to dismiss remained justiciable after remand was granted.

HOLDINGS

1. Intercept Music Group, Inc. was not shown to be fraudulently joined because the court could not conclude that there was no possibility that a Nevada state court would find that Sanwire could state a cause of action against it.
2. Sanwire established a sufficient possibility of stating conversion and unjust-enrichment claims against Intercept Music Group, Inc. through amendment, even though the present complaint was insufficiently specific.
3. The alleged failure to plead a sufficient tortious-interference claim did not defeat remand because the possibility of viable conversion and unjust-enrichment claims against Intercept Music Group remained.

KEY QUOTATIONS

“if there is a possibility that a state court would find that the complaint states a cause of action against any of the resident defendants, the federal court must find that the joinder was proper and remand the case to the state court.” (at 2)

“The Court is unable to conclude that there is no possibility that a state court would find that Plaintiff could state a cause of action against IMG if given leave to amend in state court.” (at 4)

FACTUAL BACKGROUND

Sanwire alleged that Intercept Music Group, Inc., a Nevada corporation, improperly held intellectual property and other assets that belonged to Sanwire and should have been conveyed to it. Sanwire also alleged that assets and business opportunities were improperly diverted and that Intercept Music Group claimed common shares of Sanwire stock to which it was not entitled. Although the state-court complaint lacked specificity as to which defendants were liable for particular claims, Sanwire represented that it could amend to assert conversion and unjust-enrichment claims against Intercept Music Group.

PROCEDURAL HISTORY

Sanwire filed the action in state court against Intercept Music Group, Inc., Intercept Music Inc., New Horizons Transfer, Inc., and Trillium Partners, L.P. Defendants removed the action to federal court based on diversity jurisdiction, asserting that the Nevada defendant, Intercept Music Group, Inc., was fraudulently joined. Trillium

was voluntarily dismissed, after which Sanwire moved to remand. Following a hearing, the court granted remand and denied the pending motions to dismiss as moot.

DISPOSITION

remanded

REMAND INSTRUCTIONS

The action is remanded to Nevada state court. The defendants' motions to dismiss are denied as moot.

CASES CITED

- Carrington Mortgage Services, LLC v. Ticor Title of Nevada, Inc., 2020 WL 3892786, at *2, *5 (D. Nev. July 10, 2020)
- Sanchez v. Monumental Life Insurance Co., 102 F.3d 398, 403-04 (9th Cir. 1996)
- Gaus v. Miles, Inc., 980 F.2d 564, 566-67 (9th Cir. 1992)
- Deutsche Bank National Trust Co. as Trustee for American Home Mortgage Investment Trust 2007-1 v. Old Republic Title Insurance Group, Inc., 532 F. Supp. 3d 1004 (D. Nev. 2021)
- Grancare, LLC v. Thrower by and through Mills, 889 F.3d 543, 548-50 (9th Cir. 2018)
- Ritchey v. Upjohn Drug Co., 139 F.3d 1313, 1318 (9th Cir. 1998)
- Hunter v. Philip Morris USA, 582 F.3d 1039, 1046 (9th Cir. 2009)
- Duncan Golf Management v. Nevada Youth Empowerment Project, 2024 WL 4349454, at *2 (D. Nev. Sept. 28, 2024)
- Blige v. Terry, 139 Nev. 607, 616 (2023)
- Wantz v. Redfield, 74 Nev. 196, 198 (1958)
- M.C. Multi-Family Development, LLC v. Crestdale Associates, Ltd., 124 Nev. 901, 904 (2008)
- Kennedy v. Carriage Cemetery Services, Inc., 727 F. Supp. 2d 925, 932 (D. Nev. 2010)
- Leasepartners Corp. v. Robert L. Brooks Trust, 113 Nev. 747, 755 (1997)
- LT International Ltd. v. Shuffle Master, Inc., 8 F. Supp. 3d 1238, 1249 (D. Nev. 2014)
- Hilton Hotels Corp. v. Butch Lewis Productions, Inc., 109 Nev. 1043, 1048 (1993)

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