UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA

Bricine Mitchell v. Continental Casualty Insurance

Mitchell · No. 25-cv-09553-JSC · Decided December 1, 2025

SUMMARY

The court orders Continental Casualty Insurance to show cause why this removed putative class action should not be remanded for lack of subject matter jurisdiction. The court concludes that Defendant has not shown by a preponderance of the evidence that the amount in controversy exceeds $75,000, including through attorney’s fees or the cost of complying with the requested injunction.

CASE DETAILS

COURT	United States District Court for the Northern District of California
WRITING FOR THE COURT	Jacqueline Scott Corley
JURISDICTION	United States District Court for the Northern District of California
DECIDED	December 1, 2025
DOCKET	25-cv-09553-JSC
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff filed a putative class action in California state court. Defendant removed the action to federal court on diversity-of-citizenship grounds, and the district court ordered Defendant to show cause why the case should not be remanded for lack of subject matter jurisdiction.
STANDARD OF REVIEW	A removing defendant bears the burden of establishing that removal is proper. When the complaint does not clearly allege the amount in controversy, the defendant must establish by a preponderance of the evidence that the amount exceeds $75,000. The federal court independently evaluates whether subject matter jurisdiction exists.
PRECEDENTIAL VALUE	Unknown; unpublished interlocutory district court order

TOPICS

subject matter jurisdiction · civil procedure · class actions · noncompete agreements · motions to dismiss

PRACTICE AREAS

civil procedure insurance employment law

QUESTIONS PRESENTED

1. Whether Continental established by a preponderance of the evidence that the amount in controversy exceeds $75,000 for diversity jurisdiction.
2. Whether projected attorney's fees attributable to a putative class action established the amount-in-controversy requirement.
3. Whether the anticipated cost of complying with the requested injunction established the amount-in-controversy requirement.

HOLDINGS

1. Continental did not meet its burden of showing by a preponderance of the evidence that the amount in controversy exceeds $75,000.
2. The cost of complying with an injunction may count toward the amount in controversy, but Continental failed to provide evidence showing that compliance would cost more than $75,000.

KEY QUOTATIONS

> *"The defendant seeking removal "bears the burden of establishing that removal is proper," and the "removal statute is strictly construed against removal jurisdiction.""* (at 1)

> *"Where, as here, it is unclear or ambiguous from the face of a state-court complaint whether the requisite amount in controversy is pled, the removing defendant bears the burden of establishing, by a preponderance of the evidence, that the amount in controversy exceeds the jurisdictional threshold."* (at 1-2)

> *"So, the Notice of Removal does not satisfy Defendant's burden of showing the amount in controversy is satisfied."* (at 3)

FACTUAL BACKGROUND

Mitchell, a California citizen, challenged Continental Casualty Insurance's use of noncompete and nonsolicitation clauses in a putative class action. Continental, an Illinois citizen, removed the action based on diversity jurisdiction. Mitchell's complaint did not specify an amount in controversy, so Continental relied on projected attorney's fees and the anticipated cost of complying with requested injunctive relief to establish the jurisdictional threshold.

PROCEDURAL HISTORY

Mitchell filed a putative class action alleging that Continental Casualty Insurance used noncompete and nonsolicitation clauses that violate California law. Continental removed the action under 28 U.S.C. § 1441 based on diversity jurisdiction. The district court concluded that the notice of removal did not adequately establish that the amount in controversy exceeded $75,000 and ordered Defendant to show cause by December 8, 2025, why remand should not follow.

DISPOSITION

other

REMAND INSTRUCTIONS

Defendant was ordered to show cause on or before December 8, 2025, why the action should not be remanded for lack of subject matter jurisdiction. The order did not itself enter a final remand order.

CASES CITED

- Provincial Government of Marinduque v. Placer Dome, Inc., 582 F.3d 1083, 1087 (9th Cir. 2009)
- Valdez v. Allstate Insurance Co., 372 F.3d 1115, 1116 (9th Cir. 2004)
- Urbino v. Orkin Services of California, Inc., 726 F.3d 1118, 1121-22 (9th Cir. 2013)
- Fritsch v. Swift Transportation Co. of Arizona, LLC, 899 F.3d 785, 794-95 (9th Cir. 2018)
- Rosenwald v. Kimberly-Clark Corp., 152 F.4th 1167, 1179-80 (9th Cir. 2025)
- Goldberg v. CPC International, Inc., 678 F.2d 1365, 1367 (9th Cir. 1982)
- Gibson v. Chrysler Corp., 261 F.3d 927, 942 (9th Cir. 2001)
- Ramirez v. Merrill Gardens, LLC, No. 1:22-CV-00542-SAB, 2024 WL 3011142, at *28 (E.D. Cal. June 11, 2024)
- Hass v. Flowers Bakeries Sales of Norcal, LLC, No. 25-CV-06018-JSC, 2025 WL 3295328 (N.D. Cal. Nov. 26, 2025)
- In re Ford Motor Co./Citibank (South Dakota), N.A., 264 F.3d 952, 958 (9th Cir. 2001)