

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
CALIFORNIA, SACRAMENTO DIVISION

**Mr. Roof and Solar, Inc. dba American Eagle Roofing v. Sequoia
Roofing and Construction, Tyler Anderson, and Robert Williams**

Mr. Roof and Solar · No. 2:25-cv-00510-AC · Decided April 21, 2025

OPINION

Mr. Roof and Solar, Inc. v. Sequoia Roofing and Construction

PER CURIAM.

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8 UNITED STATES DISTRICT COURT

9 EASTERN DISTRICT OF CALIFORNIA, SACRAMENTO DIVISION

10 11 MR. ROOF AND SOLAR, INC. dba Case No. 2:25-cv-00510-AC AMERICAN EAGLE
ROOFING, a California 12 corporation, [PROPOSED] ORDER GRANTING
MOTION TO DISMISS

13 Plaintiffs, Judge: Hon. Allison Claire 14 v. Date: May 28, 2025 Time: 10:00 a.m. 15 SEQUOIA
ROOFING AND Crtrm.: 26 CONSTRUCTION, a California corporation; 16 TYLER
ANDERSON, an individual; ROBERT WILLIAMS, an individual, 17 Defendants. 18

19 AND RELATED COUNTER-CLAIMS

20 21 Mr. Roof and Solar, Inc. dba American Eagle Roofing's Motion to Dismiss came on for 22
hearing before this Court on May 28, 2025, at 10:00 a.m. After full consideration of the matter, 23
this Court rules as follows:

24 I. BACKGROUND

25 According to the allegations in the pleadings, American Eagle is a construction business 26 that
provides construction services in Northern California. See Complaint (Doc. No. 1), ¶ 10 and 27
Prayer for Relief. Defendants Anderson and Williams were previously employed by American 1
protected construction contract. Id. at ¶¶ 2, 5-6, 12.

2 In 2023, Anderson and Williams resigned from American Eagle, and were subsequently

3 hired by Sequoia, a direct competitor of American Eagle. Id. at ¶ 12. Soon thereafter, American
4 Eagle discovered that following Sequoia's hiring of Anderson and Williams, Sequoia had begun

5 using construction contracts that copied verbatim substantial portions of American Eagle’s 6 original contract language, including the language, formatting, and organization of terms. Id. at ¶¶ 7 13-14. Following a side-by-side comparison, American Eagle found that Sequoia’s contract had 8 taken verbatim language in key sections from its contract, adopted identical clause structures, and 9 replicated specific phrases and formatting unique to Plaintiff’s original work. Id. at ¶ 15. 10 American Eagle filed a complaint in this Court, asserting a single claim of copyright 11 infringement under 17 U.S.C. § 101, et seq., against Sequoia, Anderson, and Williams. Id. at ¶¶ 12 21-24. As a cause of action arising under federal law, the District Court has original subject 13 matter jurisdiction pursuant to 28 U.S.C. § 1331 and 28 U.S.C. § 1338(a). 14 On March 28, 2025, Defendants filed an answer to American Eagle’s complaint, denying 15 the majority of American Eagle’s allegations. But in addition to the Answer, Williams separately 16 filed three claims against American Eagle: (1) breach of his employment contract with American 17 Eagle; (2) failure to pay wages earned under California Labor Code §§ 200 et. seq., and (2) 18 Waiting Time Penalties under California Labor Code § 203. Answer and Counterclaims (Doc.

19 No. 8), ¶¶ 11-26. Distilled down, Williams’s three claims arose from a contention that American

20 Eagle had failed to pay wages/commissions owed to Williams under his employment contract 21 throughout his employment relationship and upon the termination of his employment, as provided 22 for in the Salesperson Agreement attached as Exhibit A to Williams’s Answer and Counterclaim. 23 Id. at ¶¶ 7-9; see also id., Ex. A. Notably, Williams’s counterclaims made no reference to the 24 facts alleged in American Eagle’s complaint about the separate copyright protected construction 25 contract or his employment by Sequoia and instead focused entirely on transgressions that he 26 claimed occurred during his employment and pertained to his wholly separate employment 27 contract. Id. at ¶ 10. 1 counterclaims, which reads in full: “This Court has subject matter jurisdiction pursuant to 28 2 U.S.C. § 1367.” Id. at ¶ 5.

3 II. MOTION TO DISMISS

4 American Eagle moves to dismiss the counterclaims on the ground that the Court lacks 5 jurisdiction over the counterclaims. 6 A. Legal Standard – Fed. R. Civ. P. 12(b)(1) 7 Rule 12(b)(1) of the Federal Rules of Civil Procedure allows a party to challenge a federal 8 court’s jurisdiction over the subject matter of a claim. Fed. R. Civ. P. 12(b)(1). “A Rule 12(b)(1) 9 jurisdictional attack may be facial or factual.” *Safe Air for Everyone v. Meyer*, 373 F.3d 1035, 10 1039 (9th Cir. 2004) (citing *White v. Lee*, 227 F.3d 1214, 1242 (9th Cir. 2000)). In a facial attack 11 like the present motion, “the challenger asserts that the allegations contained in a [pleading] are 12 insufficient on their face to invoke federal jurisdiction.” Id. A party making a facial attack does 13 not submit supporting evidence with the motion because jurisdiction is challenged based solely on 14 the pleadings. *Howard Jarvis Taxpayers Ass’n v. California Secure Choice Retirement Savings* 15 *Program*, 443 F. Supp. 3d 1152, 1156 (E.D. Cal. 2020); see also *Diva Limousine, Ltd. v. Uber* 16 *Techs., Inc.*, 392 F. Supp. 3d 1074, 1084 (N.D. Cal. 2019)

("[C]ourts do not consider evidence 17 outside the pleadings when deciding a facial attack.") (citation omitted). In a facial attack on 18 subject matter jurisdiction, the district court applies the Iqbal standard to determine if the 19 complaint or counterclaim alleges "sufficient factual matter, accepted as true, to 'state a claim to 20 relief that is plausible on its face.'" Terenkian v. Republic of Iraq, 694 F.3d 1122, 1131 (9th Cir. 21 2012) (quoting Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009) (quoting Bell Atl. Corp. v. Twombly, 22 550 U.S. 544, 570 (2007))). 23 "Subject matter jurisdiction defines the Court's authority to hear a given type of case." 24 U.S. v. Morton, 467 U.S. 822, 828 (1984). "Federal district courts are courts of limited jurisdiction 25 that 'may not grant relief absent a constitutional or valid statutory grant of jurisdiction' and are 26 'presumed to lack jurisdiction in a particular case unless the contrary affirmatively appears.'" 27 Cooper v. Tokyo Elec. Power Co., 990 F. Supp. 2d 1035, 1038 (S.D. Cal. 2013) (quoting A-Z Int'l 1 || falls within a federal district court's limited jurisdiction "rests upon the party asserting 2 || jurisdiction" — here, on Williams. Kokkonen v. Guardian Life Ins. Co., 511 U.S. 375, 377 (1994); 3 || In re Wilshire Courtyard, 729 F.3d 1279, 1284 (9th Cir. 2013). 4 B. Analysis of Motion to Dismiss 5 Defendant and Counterclaimant Robert Williams has not met his burden to establish that 6 || this Court has subject matter jurisdiction over his counterclaims. The Court finds that it does not 7 || have original subject matter jurisdiction over Mr. Williams' claims for (1) Breach of Contract, (2) 8 || Failure to Pay Earned Wages under California Labor Code §§ 220 et seq., or (3) Waiting Time 9 || Penalties under California Labor Code § 203. The Court also finds that it does not have subject 10 || matter jurisdiction over Defendant's counterclaims pursuant to 28 U.S.C. § 1367(a). The pleadings 11 || do not establish that Defendant's counterclaims form a part of the same case or controversy as 12 || Plaintiff's claim for Copyright Infringement under 17 U.S.C. § 101 et seq., as Defendant Robert 2 13 || Williams has failed to establish that his counterclaims and Plaintiff's claim are derived from a z 14 || common nucleus of operative fact. 15 Even if the Court were to find that it could exercise supplemental jurisdiction over the 3 16 || counterclaims, it would decline to do so under 28 U.S.C. § 1367(c).

17 I. CONCLUSION

18 For the reasons stated above, IT IS HEREBY ORDERED that Defendant Williams's 19 || counterclaims for (1) Breach of Contract, (2) Failure to Pay Earned Wages under California Labor 20 || Code §§ 220 et seq., and (3) Waiting Time Penalties under California Labor Code § 203 are 21 || DISMISSED. 22 || DATED: April 21, 2025 Z 2 A

23 ALLISON CLAIRE

54 UNITED STATES MAGISTRATE JUDGE

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