

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Saul Romero v. Wayfair, LLC

No. 5:25-cv-00894-SB-SHK, United States District Court for the Central District of California (June 3, 2025)

SUMMARY

The United States District Court for the Central District of California granted Plaintiff Saul Romero’s motion to remand an employment discrimination and wrongful termination action to state court. The court held that Wayfair had not met its heavy burden to establish fraudulent joinder of the nondiverse individual defendants because the pleading deficiencies might be cured by amendment, but denied fees and costs because Wayfair had an objectively reasonable basis for removal.

CASE DETAILS

COURT	United States District Court for the Central District of California
WRITING FOR THE COURT	Stanley Blumenfeld, Jr.
JURISDICTION	United States District Court for the Central District of California
DECIDED	June 3, 2025
DOCKET	5:25-cv-00894-SB-SHK
DISPOSITION	remanded
PROCEDURAL POSTURE	Defendants removed a state-law employment-discrimination and wrongful-termination action to federal court based on diversity jurisdiction, asserting that the nondiverse individual defendants were fraudulently joined. Plaintiff moved to remand for lack of complete diversity.
STANDARD OF REVIEW	On a motion to remand involving alleged fraudulent joinder, the removing party bears a heavy burden to show that there is no possibility that a state court would find that the complaint states a cause of action against the nondiverse defendant. The court resolves doubts about removal in favor of remand and considers whether pleading defects could possibly be cured by amendment.
PRECEDENTIAL VALUE	unknown

TOPICS

- subject matter jurisdiction
- civil procedure
- pleadings
- employment discrimination

PRACTICE AREAS

civil procedure

employment law

employment discrimination

removal and remand

QUESTIONS PRESENTED

1. Whether the individual California defendants were fraudulently joined such that their citizenship could be disregarded for purposes of diversity jurisdiction.
2. Whether the alleged pleading deficiencies and the absence of proposed amendment details established that Plaintiff could not possibly cure the harassment claim against the nondiverse defendants.
3. Whether Plaintiff was entitled to fees and costs incurred as a result of the removal.

HOLDINGS

1. The individual California defendants were not shown to have been fraudulently joined because Wayfair failed to establish that there was no possibility that a state court would find that Plaintiff stated, or could cure to state, a harassment claim against them.
2. The motion to remand was granted because complete diversity was lacking and Wayfair did not establish fraudulent joinder of the nondiverse defendants.
3. Plaintiff was not entitled to fees and costs because Wayfair had an objectively reasonable basis for removal.

KEY QUOTATIONS

“Rather, given these presumptions, a district court must remand the case if there is “a possibility that a state court would find that the complaint states a cause of action” against the nondiverse defendant(s).”

“This “‘possibility’ standard”—which requires the removing party to show that the allegations against the nondiverse defendant are “wholly insubstantial and frivolous”—is not equivalent to the motion-to-dismiss standard under Federal Rule of Civil Procedure 12(b)(6).”

FACTUAL BACKGROUND

Saul Romero, a California citizen, sued his employer, Wayfair LLC, and three California-citizen supervisors for alleged discrimination, wrongful termination, and harassment under California law. Although there was diversity between Romero and Wayfair and the amount in controversy exceeded \$75,000, the presence of the individual California defendants defeated complete diversity. Wayfair removed the action, contending that the individual defendants had been fraudulently joined because the complaint did not allege sufficient facts to support a harassment claim against them.

PROCEDURAL HISTORY

Plaintiff filed suit in Riverside County Superior Court against Wayfair LLC and individual California-resident supervisors. Wayfair removed the action to the Central District of California, invoking diversity jurisdiction and fraudulent joinder. The court granted Plaintiff's motion to remand, concluding that Wayfair had not met its heavy

burden to establish fraudulent joinder, and denied fees and costs because the removal had an objectively reasonable basis.

DISPOSITION

remanded

REMAND INSTRUCTIONS

The case is remanded to the Riverside County Superior Court. The request for fees and costs is denied.

CASES CITED

- Grancare, LLC v. Thrower, 889 F.3d 543, 548–50 (9th Cir. 2019)
- Terrell v. Morgan Truck Body, LLC, No. 5:24-CV-00824-SB, 2024 WL 2846721, at *2 (C.D. Cal. June 5, 2024)
- Ancona v. Lowe's Home Centers, LLC, No. 20-CV-1462, 2020 WL 8679709, at *4–5 (S.D. Cal. Sept. 23, 2020)

OPINION

Saul Romero v. Wayfair, LLC

PER CURIAM.

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

SAUL ROMERO, Case No. 5:25-cv-00894-SB-SHK Plaintiff,

v. ORDER GRANTING MOTION TO

REMAND [DKT. NO. 10]

WAYFAIR LLC et al., Defendants. Plaintiff Saul Romero, a California citizen, claims that his employer, Wayfair LLC, discriminated against and wrongfully terminated him. He filed a complaint in state court against Wayfair asserting state-law claims against it. There is diversity of citizenship between these parties, and the amount in controversy exceeds \$75,000. But Plaintiff also sued Victor Ramos, Joe Mattis, and Luis Cardenas—California citizens and his superiors at Wayfair—asserting, among other things, that they harassed him in violation of California law. Despite the lack of complete diversity, Wayfair removed this case to federal court, invoking diversity jurisdiction and contending that the individual defendants were fraudulently joined. Plaintiff now moves to remand the case back to state court for lack of subject-matter jurisdiction.¹ Wayfair acknowledges that diversity jurisdiction is lacking if the citizenship of any individual defendant is considered, and it does not dispute that California law recognizes a harassment claim against individual employees. See Cal. Gov’t Code § 12940(j)(3) (“An employee of an entity subject to this subdivision is personally liable for any harassment prohibited by this section that is perpetrated by the employee”). But it contends that “Plaintiff’s complaint fails to allege facts

sufficient to sustain a claim of harassment against the individual defendants.” 1 The Court finds this matter suitable for decision without oral argument and vacates the June 6, 2025 motion hearing. Fed. R. Civ. P. 78; L.R. 7-15. Dkt. No. 12, at 5–10. The Court agrees that the allegations, as currently pleaded, are insufficient to state a claim. But this alone is insufficient to overcome the general presumption against removal jurisdiction and the specific presumption against finding fraudulent joinder. *Grancare, LLC v. Thrower*, 889 F.3d 543, 548 (9th Cir. 2019). Rather, given these presumptions, a district court must remand the case if there is “a possibility that a state court would find that the complaint states a cause of action” against the nondiverse defendant(s). *Id.* at 548 (cleaned up). This “‘possibility’ standard”—which requires the removing party to show that the allegations against the nondiverse defendant are “wholly insubstantial and frivolous”—is not equivalent to the motion-to-dismiss standard under Federal Rule of Civil Procedure 12(b)(6). *Id.* at 549–50 (cleaned up). It is not enough that the complaint fails to state a claim; the court must also consider whether the alleged pleading defects “can possibly be cured” by amendment. *Id.* at 550. Any doubts about the propriety of removal must be resolved in favor of remand. *Id.* Wayfair contends that Plaintiff cannot cure the pleading deficiencies by amendment for two reasons. First, it relies on Plaintiff’s failure to plead adequate facts to support a harassment claim in his state administrative and court complaints. Second, it faults Plaintiff for not providing details about possible amendments in his motion to remand. Neither argument satisfies Wayfair’s “heavy burden” to show that “[P]laintiff could not possibly prevail” on the harassment claim if given a chance to cure the alleged factual deficiencies. *Id.* at 548 (cleaned up). Instead, it improperly seeks to shift the burden to Plaintiff. See *Terrell v. Morgan Truck Body, LLC*, No. 5:24-CV-00824-SB, 2024 WL 2846721, at *2 (C.D. Cal. June 5, 2024) (noting removing party bears the burden to show a complaint could not be cured); *Ancona v. Lowe’s Home Centers, LLC*, No. 20-CV- 1462, 2020 WL 8679709, at *4–5 (S.D. Cal. Sept. 23, 2020) (same). Accordingly, Plaintiff’s motion is granted, and this case is remanded to the Riverside County Superior Court. Because Wayfair had an objectively reasonable basis for removal, the Court denies Plaintiff’s request to impose fees and costs. Date: June 3, 2025 _____ Stanley Blumenfeld, Jr. United States District Judge