

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
CALIFORNIA

Wilson v. Pan NorCal, LLC

Wilson · No. 2:18-cv-00660-KJM-CSK · Decided March 7, 2025

SUMMARY

The United States District Court for the Eastern District of California denies without prejudice Sheryl Wilson’s motion under Federal Rule of Civil Procedure 41(a)(2) to dismiss defendant TJM Plaza, GRF2, LLC, following a settlement. The court holds that the settlement’s good faith must first be addressed under California Code of Civil Procedure section 877.6 because dismissal could prejudice Pan NorCal’s contribution and indemnity rights.

CASE DETAILS

COURT	United States District Court for the Eastern District of California
JURISDICTION	United States District Court for the Eastern District of California
DECIDED	March 7, 2025
DOCKET	2:18-cv-00660-KJM-CSK
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff moved under Federal Rule of Civil Procedure 41(a)(2) to dismiss one defendant without prejudice to the remaining litigation after reaching a settlement with that defendant. The remaining defendant opposed dismissal on the ground that dismissal before a good-faith-settlement determination would cause legal prejudice.
STANDARD OF REVIEW	A Rule 41(a)(2) dismissal is committed to the district court's sound discretion and will not be disturbed absent an abuse of discretion. Dismissal may be denied when the defendant would suffer plain legal prejudice.
PRECEDENTIAL VALUE	unpublished_nonprecedential

TOPICS

- motions to dismiss
- civil procedure
- negligence
- remedies

PRACTICE AREAS

- civil procedure
- torts
- settlement and contribution rights
- remedies

QUESTIONS PRESENTED

1. Whether the court could dismiss TJM under Federal Rule of Civil Procedure 41(a)(2) without first applying California Code of Civil Procedure section 877.
2. Whether dismissal of TJM before a determination under California Code of Civil Procedure section 877.6 that the settlement was made in good faith would cause Pan NorCal plain legal prejudice.
3. Whether the motion should be denied without prejudice to renewal after a proper party brings a section 877.6 motion and the court adjudicates the settlement's good faith.

HOLDINGS

1. In a joint-tortfeasor action governed by California law, the court could not apply Rule 41(a)(2) to dismiss a settling tortfeasor without also applying California Code of Civil Procedure section 877.
2. The court should adjudicate the settlement's good faith under California Code of Civil Procedure section 877.6 before dismissing TJM under section 877.
3. Wilson's motion to dismiss TJM was denied without prejudice and could be renewed only after a proper party brought a section 877.6 motion and the court adjudicated the settlement's good faith.

KEY QUOTATIONS

“Courts may deny a Rule 41(a)(2) dismissal when defendants can show they will “suffer some plain legal prejudice as a result.”” (Legal Standard)

“The court denies Wilson’s motion to dismiss TJM at this time as the court cannot apply Federal Rule of Civil Procedure 41(a)(2) without also applying section 877, and the current record does not permit the court to do so.” (Analysis)

“The court denies Wilson’s motion to dismiss without prejudice.” (Conclusion)

FACTUAL BACKGROUND

Wilson alleged that she was injured after leaving a Panera Bread restaurant in Roseville, California. Pan NorCal operated the restaurant, while TJM was its landlord and allegedly had responsibility for maintaining the shopping center's common areas, including the area where Wilson fell. Wilson and TJM reached a settlement, but Pan NorCal maintained that dismissing TJM before adjudication of the settlement's good faith could impair Pan NorCal's contribution and indemnity rights.

PROCEDURAL HISTORY

Wilson sued Pan NorCal, LLC, and TJM Plaza, GRF2, LLC, asserting federal and California claims arising from a 2017 slip-and-fall accident. The parties asserted crossclaims, discovery closed, and the court resolved summary-judgment motions, leaving California claims for trial. After settlement discussions between Wilson and TJM, Wilson moved to dismiss TJM under Rule 41(a)(2). The court deferred ruling, ordered a settlement conference, and, after the parties reported no settlement conference resolution, denied the renewed motion without prejudice.

DISPOSITION

other

CASES CITED

- Stevedoring Servs. of Am. v. Armilla Intern. B.V., 889 F.2d 919, 921 (9th Cir. 1989)
- Smith v. Lenches, 263 F.3d 972, 975 (9th Cir. 2001)
- Mason & Dixon Intermodal, Inc. v. Lapmaster Int'l LLC, 632 F.3d 1056, 1060 (9th Cir. 2011)
- Fed. Savings & Loan Ins. Corp. v. Butler, 904 F.2d 505, 511 (9th Cir. 1990)
- Bayview Hunters Point Residents v. Tetra Tech. EC, Inc., No. 19-1417, 2025 WL 562890 (N.D. Cal. Feb. 20, 2025)
- Doe v. County of Sacramento, 21-1438, 2025 WL 449291 (E.D. Cal. Feb. 10, 2025)
- Driver v. Pape Trucks, Inc., No. 17-1968, 2025 WL 392404 (E.D. Cal. Feb. 4, 2025)
- Alisu Invs. Ltd. v. TriMas Corp., No. 16-686, 2024 WL 3461079 (C.D. Cal. June 21, 2024)
- Rainey v. County of San Diego, 19-1650, 2024 WL 3293890 (S.D. Cal. May 21, 2024)