

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF
CALIFORNIA

Jasjeet Dhillon, Kamal Creations, Inc., Jasjeet Dhillon, Inc., J and K
Convenience Store, Inc., Jassi and Mirna, Inc., and K & A
Convenience Stores, Inc. v. 7-Eleven, Inc. and Does 1-10

Dhillon v. 7-Eleven · No. 3:23-cv-02335-JES-JLB · Decided September 3, 2025

SUMMARY

The United States District Court for the Southern District of California denied 7-Eleven, Inc.’s motion for reconsideration of the court’s partial denial of its motion to dismiss. The court also denied 7-Eleven’s alternative request to certify two issues for interlocutory appeal under 28 U.S.C. § 1292(b).

CASE DETAILS

COURT	United States District Court for the Southern District of California
WRITING FOR THE COURT	James E. Simmons Jr.
JURISDICTION	United States District Court for the Southern District of California
DECIDED	September 3, 2025
DOCKET	3:23-cv-02335-JES-JLB
DISPOSITION	other
PROCEDURAL POSTURE	Defendant moved for reconsideration of the court's prior order granting in part and denying in part its motion to dismiss for failure to state a claim, and alternatively sought certification of two issues for interlocutory appeal under 28 U.S.C. § 1292(b).
STANDARD OF REVIEW	Reconsideration of an interlocutory order is generally appropriate upon newly discovered evidence, clear error or manifest injustice, or an intervening change in controlling law. Certification under 28 U.S.C. § 1292(b) requires a controlling question of law, substantial ground for difference of opinion, and that immediate appeal may materially advance termination of the litigation; the moving party bears the burden.
PRECEDENTIAL VALUE	Unknown
PARTIES	Jasjeet Dhillon, Kamal Creations, Inc., Jasjeet Dhillon, Inc., J and K Convenience Store, Inc., Jassi and Mirna, Inc., K & A Convenience

TOPICS

motion for reconsideration interlocutory appeal contracts breach of contract civil procedure

PRACTICE AREAS

civil procedure appellate procedure contracts commercial litigation

QUESTIONS PRESENTED

1. Whether reconsideration of the court's prior interlocutory ruling was warranted because the court allegedly relied on claims or allegations not asserted in the Second Amended Complaint.
2. Whether the court should certify two issues for interlocutory appeal under 28 U.S.C. § 1292(b).

HOLDINGS

1. Reconsideration was not warranted because 7-Eleven did not establish newly discovered evidence, clear error or manifest injustice, or an intervening change in controlling law. The breach-of-contract claims at issue depended on the enforceability of the Sales Opportunity Agreement, an issue the court would not adjudicate on a motion to dismiss.
2. Certification for interlocutory appeal was denied because 7-Eleven failed to show a substantial ground for difference of opinion or otherwise satisfy the requirements of 28 U.S.C. § 1292(b).

KEY QUOTATIONS

“Generally, where a district court “has jurisdiction over the case, ... it possesses the inherent procedural power to reconsider, rescind, or modify an interlocutory order for cause seen by it to be sufficient.”” (at 1)

“Interlocutory appeal under 28 U.S.C. § 1292(b) is appropriate only in extraordinary cases and is not intended merely to provide review of difficult rulings in hard cases.” (at 3)

“One party's strong disagreement with a court's ruling does not suffice to establish a substantial ground for difference of opinion.” (at 4)

FACTUAL BACKGROUND

Plaintiffs asserted breach-of-contract claims arising from franchise agreements with 7-Eleven. 7-Eleven executed a Sales Opportunity Agreement under which Jasjeet Dhillon allegedly released all of his claims, and plaintiffs alleged that the agreement was entered into under duress. 7-Eleven argued that its franchise agreements authorized immediate termination and that the plaintiffs' claims were based exclusively on the franchise agreements rather than on the enforceability of the Sales Opportunity Agreement.

PROCEDURAL HISTORY

At oral argument on May 14, 2025, the court granted in part and denied in part 7-Eleven's motion to dismiss. 7-Eleven then moved for reconsideration, arguing that the court had relied on claims or allegations not asserted in

the Second Amended Complaint, and alternatively requested interlocutory-appeal certification. The court denied both requests.

DISPOSITION

other

CASES CITED

- City of Los Angeles, Harbor Division v. Santa Monica Baykeeper, 254 F.3d 882, 889 (9th Cir. 2001)
- School District No. 1J, Multnomah County, Oregon v. ACandS, Inc., 5 F.3d 1255, 1263 (9th Cir. 1993)
- U.S. Rubber Co. v. Wright, 359 F.2d 784, 785 (9th Cir. 1966)
- Reese v. BP Exploration (Alaska) Inc., 643 F.3d 681, 688-89 (9th Cir. 2011)
- Couch v. Telescope, 611 F.3d 629, 633 (9th Cir. 2010)

OPINION

Dhillon v. 7-Eleven, Inc.

PER CURIAM.

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8 UNITED STATES DISTRICT COURT

9 SOUTHERN DISTRICT OF CALIFORNIA

10 11 JASJEET DHILLON, KAMAL Case No.: 3:23-cv-02335-JES-JLB

CREATIONS, INC., JASJEET

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DHILLON, INC., J AND K ORDER DENYING DEFENDANT’S

13 CONVENIENCE STORE, INC. JASSI MOTION FOR

AND MIRNA, INC., and K & A RECONSIDERATION

14

CONVENIENCE STORES, INC.,

15 [ECF No. 39] Plaintiffs, 16 v. 17 7-ELEVEN, INC. and DOES 1-10, 18 Defendants. 19 20 On
May 14, 2025, at oral argument, the Court granted in part and denied in part 21 Defendant 7-
Eleven’s (“Defendant” or “7-Eleven”) Motion to Dismiss for Failure to State 22 a Claim. ECF No.
38. In response to the Court’s ruling, Defendant filed the present motion 23 for reconsideration.
ECF No. 39. After reviewing the parties’ briefs, the record on file, and 24 reconsidering the case
law, the Court DENIES the motion for reconsideration. 25 // 26 // 27 // 28

1 I. DISCUSSION

2 A. Motion for Reconsideration 3 Generally, where a district court “has jurisdiction over the case,
... it possesses the 4 inherent procedural power to reconsider, rescind, or modify an interlocutory
order for cause 5 seen by it to be sufficient.” City of Los Angeles, Harbor Div. v. Santa Monica
Baykeeper, 6 254 F.3d 882, 889 (9th Cir. 2001) (internal quotation marks and citations omitted) 7

(emphasis omitted). Reconsideration is generally appropriate “if the district court (1) is 8 presented with newly discovered evidence, (2) committed clear error or the initial decision 9 was manifestly unjust, or (3) if there is an intervening change in controlling law.” *School 10 Dist. No. 1J, Multnomah Cnty., Or. v. ACandS, Inc.*, 5 F.3d 1255, 1263 (9th Cir. 1993) 11 (citations omitted).1 12 Defendant contends reconsideration is merited because the Court erred by partially 13 denying “7-Eleven’s motion to dismiss based on purported claims that Plaintiffs never 14 asserted in their [Second Amended Complaint].” ECF No. 39-1 at 6. Defendant argues that 15 Plaintiffs’ claims “are premised exclusively on the alleged breach of the franchise 16 agreements” and not on the Sales Opportunity Agreement2. *Id.* (emphasis in original). The 17 Court, however, Defendant argues, improperly created a claim that “7-Eleven breached the 18 franchise agreements because the sales opportunity agreement was unenforceable.” *Id.* 19 20 21 22 1 Motions for reconsideration are also subject to Civil Local Rule 7.1(i)(1), which provides: “Whenever any motion or any application or petition for any order or other relief has been made to any judge and has 23 been refused in whole or in part, or has been granted conditionally or on terms, and a subsequent motion or application or petition is made for the same relief in whole or in part upon the same or any alleged 24 different state of facts, it will be the continuing duty of each party and attorney seeking such relief to 25 present to the judge to whom any subsequent application is made an affidavit of a party or witness or certified statement of an attorney setting forth the material facts and circumstances surrounding each prior 26 application, including inter alia: (1) when and to what judge the application was made, (2) what ruling or decision or order was made thereon, and (3) what new or different facts and circumstances are claimed to 27 exist which did not exist, or were not shown, upon such prior application.” 28 1 Defendant is misguided. Defendant’s motion, inter alia, argued that it had the 2 authority to immediately terminate the franchise agreements for the first, second, third, and 3 sixth causes of action under Paragraph 26(a)(7) of those agreements, and if they had, such 4 termination would not have been a breach of contract. The issue, however, is that 7-Eleven 5 did not actually terminate the franchise agreements under that provision. Instead, 7-Eleven 6 executed the Sales Opportunity Agreement, allowing Plaintiff Jasjeet Dhillon to release all 7 his claims, and allegedly, Dhillon did so under duress. Consequently, Plaintiffs’ breach of 8 contract claims for the first, second, third, and sixth causes of actions rely on the 9 enforceability of the Sales Opportunity Agreement, which, at this stage, the Court will not 10 allow to be adjudicated on a motion to dismiss. 11 B. Certification for Interlocutory Appeal 12 Defendant alternatively requests the Court to certify an interlocutory appeal on two 13 issues: (1) “whether a district court may deny a motion to dismiss based on claims and 14 allegations that are not contained in the complaint, and that were not previously briefed”; 15 and (2) “whether 7-Eleven may be subject to liability for terminating Franchise 16 Agreements that expressly granted 7-Eleven the right to terminate.” ECF No. 39-1 at 14. 17 Interlocutory appeal under 28 U.S.C. § 1292(b) is appropriate only in extraordinary 18 cases and is not intended merely to provide review of difficult rulings in hard cases. *U.S. 19 Rubber Co. v.*

Wright, 359 F.2d 784, 785 (9th Cir. 1966). An order may be certified for 20 interlocutory appeal where it “involves a controlling question of law as to which there is 21 substantial ground for difference of opinion” and where “an immediate appeal from the 22 order may materially advance the ultimate termination of the litigation.” Reese v. BP 23 Exploration (Alaska) Inc., 643 F.3d 681, 688-89 (9th Cir. 2011) (quoting and citing 28 U.S.C. § 1292(b)). The party seeking certification must show that the requisite elements 25 are satisfied. Couch v. Telescope, 611 F.3d 629, 633 (9th Cir. 2010). 26 Courts traditionally will find that a substantial ground for difference of opinion exists 27 where novel and difficult questions of first impression exist. Reese, 643 F.3d at 688. When 28 novel legal issues are presented, on which jurists may reach contradictory conclusions, a 1 novel issue may be certified for interlocutory appeal without first awaiting development of 2 ||contradictory precedent. Id. To decide if a substantial ground for difference of opinion 3 || exists under § 1292(b), courts must examine to what extent the controlling law is unclear. 4 ||Couch, 611 F.3d at 633 (internal quotation marks omitted). One party's strong 5 disagreement with a court's ruling does not suffice to establish a substantial ground for 6 || difference of opinion. /d. That settled law could be applied differently also does not 7 || establish a substantial ground for difference of opinion. Id. 8 While merely reciting the standard for certification, Defendant presents no new 9 ||arguments, only pointing the Court to its arguments made in support of reconsideration. 10 || See ECF No. 39-1 at 14-15. For the reasons explained in the prior section, the Court finds 11 || that Defendant has not met its burden to show that certification for an interlocutory appeal 12 warranted. Thus, the Court DENIES Defendant’s request.

13 II. CONCLUSION

14 Accordingly, Defendant’s Motion for Reconsideration, ECF No. 39, is DENIED. 15 IT IS SO ORDERED. 16 7 Dated: September 3, 2025 = a SY. 4, 18 Honorable James E. Sunmons Jr. 19 United States District Judge 20 21 22 23 24 25 26 27 28