

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Isabel Simental v. The Hanover Insurance Company

Simental · No. 8:25-cv-01629-DOC-KES · Decided September 17, 2025

SUMMARY

The United States District Court for the Central District of California grants Plaintiff Isabel Simental’s motion to remand an employment action against The Hanover Insurance Company and Melissa Gutzman. The court concludes that removal was improper under the forum defendant rule and that Defendants failed to establish that Gutzman was fraudulently joined, remanding the case to Orange County Superior Court.

CASE DETAILS

COURT	United States District Court for the Central District of California
WRITING FOR THE COURT	David O. Carter
JURISDICTION	United States District Court for the Central District of California
DECIDED	September 17, 2025
DOCKET	8:25-cv-01629-DOC-KES
DISPOSITION	remanded
PROCEDURAL POSTURE	Plaintiff moved to remand an employment-related action removed from Orange County Superior Court under diversity jurisdiction. The district court granted the motion and remanded the case to state court.
STANDARD OF REVIEW	The court reviewed whether removal was proper and whether federal subject matter jurisdiction existed. Removal statutes are strictly construed against removal, and the removing defendants bear the burden of establishing federal jurisdiction and compliance with the removal statute.
PRECEDENTIAL VALUE	unpublished district court order; nonprecedential
PARTIES	The Hanover Insurance Company, Melissa Gutzman v. Isabel Simental

TOPICS

- subject matter jurisdiction
- civil procedure
- statutory interpretation
- employment discrimination

PRACTICE AREAS

civil procedure

employment law

insurance

QUESTIONS PRESENTED

1. Whether removal was proper when a nondiverse forum defendant had not been served before removal.
2. Whether the forum defendant rule permits snap removal by an out-of-state defendant before service on a nondiverse in-state defendant.
3. Whether Melissa Gutzman was fraudulently joined or was a sham defendant whose citizenship could be disregarded for diversity purposes.

HOLDINGS

1. Defendants did not establish that removal was proper because the action included a California forum defendant, Melissa Gutzman, and removal occurred before she was served. The forum defendant rule does not permit defendants to avoid the rule through snap removal in these circumstances.
2. Defendants failed to show that Gutzman was fraudulently joined or that she was a sham defendant whose citizenship could be disregarded for diversity purposes.

KEY QUOTATIONS

“If at any time before final judgment it appears that the district court lacks subject matter jurisdiction, the case shall be remanded.” (at 2)

“The forum defendant rule provides that '[a] civil action otherwise removable . . . may not be removed if any of the parties in interest properly joined and served as defendants is a citizen of the State in which such action is brought.’” (at 3)

“Thus, removal was not proper before she was served.” (at 7)

FACTUAL BACKGROUND

Simental asserted employment claims arising from alleged harassment, disability discrimination, retaliation, wage violations, and related statutory and public-policy violations against Hanover and its employee, Melissa Gutzman. Simental and Gutzman were California citizens, while Hanover was a New Hampshire corporation. Hanover was served before removal, but Gutzman was not served until after removal. Defendants argued that Gutzman was a sham defendant and that removal before service on her was permissible under the forum defendant rule.

PROCEDURAL HISTORY

Simental filed the complaint in Orange County Superior Court on June 23, 2025. Hanover was served on June 25, 2025, while Gutzman was not served until August 7, 2025. Defendants jointly answered on July 23 and removed the action on July 25, before Gutzman was served. Simental moved to remand, and the district court granted the motion, vacated upcoming court dates, and remanded the case to Orange County Superior Court.

DISPOSITION

remanded

REMAND INSTRUCTIONS

The case was remanded to the California Superior Court for the County of Orange. All upcoming court dates were vacated, and the Clerk was directed to serve the minute order on the parties.

CASES CITED

- Prize Frize, Inc. v. Matris (U.S.), Inc., 167 F.3d 1261, 1265 (9th Cir. 1999)
- City of Oakland v. BP PLC, 969 F.3d 895 (9th Cir. 2020)
- Gaus v. Miles, Inc., 980 F.2d 564, 566 (9th Cir. 1992)
- Ethridge v. Harbor House Rest., 861 F.2d 1389, 1393 (9th Cir. 1988)
- Boggs v. Lewis, 863 F.2d 662, 663 (9th Cir. 1988)
- Takeda v. Nw. Nat'l Life Ins. Co., 765 F.2d 815, 818 (9th Cir. 1985)
- Fifty Assocs. v. Prudential Ins. Co. of Am., 446 F.2d 1187, 1190 (9th Cir. 1970)
- Exxon Mobil Corp. v. Allapattah Servs., Inc., 545 U.S. 546, 553, 568 (2005)
- Cadena v. Polaris Indus. Inc., No. 3:23-cv-00443-YY, 2023 U.S. Dist. LEXIS 165026, 2023 WL 6004228, at *2-3 (D. Or. Aug. 15, 2023)
- Casola v. Dexcom, Inc., 98 F.4th 947, 965 (9th Cir. 2024)
- Mass. Mut. Life Ins. Co. v. Mozilo, No. 2:12-cv-03613-MRP, 2012 WL 11047336, at *2 (C.D. Cal. June 28, 2012)
- Deutsche Bank Nat'l Tr. Co. v. Old Republic Title Ins. Grp., Inc., 2021 WL 1254352, at *6 (D. Nev. Apr. 2, 2021)
- Talbot v. Tokarski, 2014 U.S. Dist. LEXIS 151331, 2014 WL 5437035, at *1-2 (D. Mont. Oct. 24, 2014)
- McAboy v. Intel Corp., 2022 U.S. Dist. LEXIS 8704, 2022 WL 1519081, at *3-6 (D. Or. May 13, 2022)
- Gentile v. Biogen Idec, Inc., 934 F. Supp. 2d 313, 318-22 (D. Mass. 2013)
- Khashan v. Ghasemi, No. 10-cv-00543-MMM, 2010 WL 14444884, at *2 (C.D. Cal. Apr. 5, 2010)
- United States v. Am. Trucking Ass'ns, 310 U.S. 534, 543 (1940)
- Hawkins v. Cottrell, Inc., 785 F. Supp. 2d 1361 (N.D. Ga. 2011)
- Lumbermen's Mut. Cas. Co. v. Elbert, 348 U.S. 48 (1954) (Frankfurter, J., concurring)
- Sullivan v. Novartis Pharms. Corp., 575 F. Supp. 2d 640, 645 (D.N.J. 2008)
- Gundy v. United States, 588 U.S. 128, 141 (2019)
- Davis v. Michigan Dep't of Treasury, 489 U.S. 803, 809 (1989)
- Safe Air for Everyone v. U.S. E.P.A., 488 F.3d 1088, 1099 (9th Cir. 2007)
- Rowland v. California Men's Colony, Unit II Men's Advisory Council, 506 U.S. 194, 200 (1993)
- Nasrawi v. Buck Consultants, LLC, 779 F. Supp. 2d 1166, 1169 (E.D. Cal. 2011)
- Isaacs v. Broido, 358 F. App'x 874, 876 (9th Cir. 2009)

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