

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA

EcoHub, LLC v. Recology Inc.

EcoHub · No. 22-cv-09181-TSH · Decided April 23, 2025

SUMMARY

The United States District Court for the Northern District of California granted summary judgment to Nortech Waste, LLC, on EcoHub’s breach-of-fiduciary-duty claim and to Recology Inc. on all remaining claims against it. The court held that EcoHub failed to present evidence establishing a partnership or joint venture with Nortech sufficient to create fiduciary duties, and rejected EcoHub’s related aiding-and-abetting and interference claims. The order followed a January 30, 2025 hearing.

CASE DETAILS

COURT	United States District Court for the Northern District of California
WRITING FOR THE COURT	Thomas S. Hixson
JURISDICTION	United States District Court for the Northern District of California
DECIDED	April 23, 2025
DOCKET	22-cv-09181-TSH
DISPOSITION	other
PROCEDURAL POSTURE	Defendants Nortech Waste, LLC and Recology Inc. moved for summary judgment. Nortech sought judgment on EcoHub's breach of fiduciary duty claim, and Recology sought judgment on all claims asserted against it.
STANDARD OF REVIEW	Summary judgment is proper when there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law. The moving party bears the initial burden of identifying the absence of a genuine issue, after which the nonmoving party must identify specific, non-speculative evidence creating a genuine issue for trial. Reasonable inferences are drawn in favor of the nonmoving party, but the court need not scour the record for unsupported factual disputes.
PRECEDENTIAL VALUE	Nonprecedential district-court order; precedential status is unknown in the supplied metadata.

TOPICS

summary judgment

statute of limitations

breach of fiduciary duty

partnership law

civil procedure

PRACTICE AREAS

civil procedure

commercial litigation

partnership law

breach of fiduciary duty

torts

QUESTIONS PRESENTED

1. Whether the undisputed evidence established that EcoHub and Nortech formed or reaffirmed a partnership or joint venture imposing fiduciary duties on Nortech.
2. Whether Recology could be liable for aiding and abetting a breach of fiduciary duty when the alleged primary fiduciary-duty breach by Nortech failed as a matter of law.
3. Whether EcoHub's intentional and negligent interference with prospective economic advantage claims were barred by California's two-year statute of limitations and discovery rule.

HOLDINGS

1. EcoHub failed to produce evidence from which a reasonable jury could find that a legal partnership or joint venture existed between EcoHub and Nortech during the period relevant to the alleged breach. References to EcoHub as a "partner," joint efforts to prepare proposals, and Nortech Board discussions did not establish the required right of joint participation in management and control.
2. Nortech was entitled to summary judgment on EcoHub's breach of fiduciary duty claim because EcoHub failed to establish the existence of a fiduciary relationship and therefore could not establish the duty element of the claim.
3. Recology was entitled to summary judgment on EcoHub's aiding-and-abetting claim because the absence of an underlying breach of fiduciary duty by Nortech defeated an essential element of the claim.
4. EcoHub's intentional and negligent interference with prospective economic advantage claims were time-barred because EcoHub had reason to suspect the factual basis of those claims no later than November 17, 2020, but did not file suit until December 30, 2022.

KEY QUOTATIONS

"Summary judgment is proper where there is 'no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law.'" (at 21)

"To establish a joint venture under California law, Plaintiffs must show 'an agreement between the parties under which they have a community of interest, that is, a joint interest, in a common business undertaking, an understanding as to the sharing of profits and losses, and a right of joint control.'" (at 26)

"In the absence of an underlying breach of fiduciary duty, Plaintiff's aiding and abetting claim against Recology must fail." (at 28)

FACTUAL BACKGROUND

EcoHub, a Texas LLC, sought to work with Nortech, a California LLC operating a public waste-management facility, on obtaining and performing an extension or replacement contract with WPWMA. Although the parties exchanged proposals and used the word "partner" in some communications, no Waste Supply Agreement was finalized, and the evidence did not show that EcoHub obtained a right of joint control or management over the enterprise. After WPWMA decided to issue an RFP, Nortech terminated discussions with EcoHub on November 17, 2020; Nortech and EcoHub later submitted competing responses, and WPWMA awarded the contract to another party. EcoHub filed suit more than two years after November 17, 2020.

PROCEDURAL HISTORY

EcoHub filed suit on December 30, 2022, and later filed a Third Amended Complaint asserting breach of fiduciary duty against Nortech, aiding and abetting breach of fiduciary duty against Recology, and intentional and negligent interference with prospective economic advantage against all defendants. The Court previously dismissed EcoHub's interference claims against Nortech but allowed the claims against Recology and the fiduciary-duty claim against Nortech to proceed. After discovery, Nortech and Recology moved for summary judgment. The Court granted both motions and entered judgment for the defendants on the remaining claims.

DISPOSITION

other

CASES CITED

- Celotex Corp. v. Catrett, 477 U.S. 317, 323 (1986)
- Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 248-50 (1986)
- Olsen v. Idaho State Bd. of Med., 363 F.3d 916, 922 (9th Cir. 2004)
- Keenan v. Allan, 91 F.3d 1275, 1279 (9th Cir. 1996)
- Cafasso, U.S. ex rel. v. Gen. Dynamics C4 Sys., Inc., 637 F.3d 1047, 1061 (9th Cir. 2011)
- Carmen v. S.F. Unified Sch. Dist., 237 F.3d 1026, 1031 (9th Cir. 2001)
- Christian Legal Soc. Chapter of Univ. of Cal. v. Wu, 626 F.3d 483, 488 (9th Cir. 2010)
- Norse v. City of Santa Cruz, 629 F.3d 966, 973 (9th Cir. 2010)
- Stanley v. Richmond, 35 Cal. App. 4th 1070, 1086 (1995)
- Cleveland v. Johnson, 209 Cal. App. 4th 1315, 1339 (2012)
- Interserve, Inc. v. Fusion Garage PTE. LTD., 2010 WL 3339520, at *4-*5 (N.D. Cal. 2010)
- Weiner v. Fleischman, 54 Cal. 3d 476, 482 (1991)
- Fredianelli v. Jenkins, 931 F. Supp. 2d 1001, 1020 (N.D. Cal. 2013)
- Ratha v. Phatthana Seafood Co., 35 F.4th 1159, 1173 (9th Cir. 2022)
- Connor v. Great W. Sav. & Loan Ass'n, 69 Cal. 2d 850 (1968)
- Holmes v. Lerner, 74 Cal. App. 4th 442, 454 (1999)
- Kaljian v. Menezes, 36 Cal. App. 4th 573, 586 (1995)
- Dickenson v. Samples, 104 Cal. App. 2d 311, 315 (1951)

- Azco Biotech, Inc. v. Qiagen, N.V., 2015 WL 12516024, at *7 (S.D. Cal. July 2, 2015)
- GENFIT S.A. v. CymaBay Therapeutics Inc., 2022 WL 195650, at *7 (N.D. Cal. Jan. 21, 2022)
- Nigro v. Sears, Roebuck & Co., 784 F.3d 495, 497-98 (9th Cir. 2015)
- F.T.C. v. Publ'g Clearing House, Inc., 104 F.3d 1168, 1171 (9th Cir. 1997)
- Villiarimo v. Aloha Island Air, Inc., 281 F.3d 1054, 1059 n.5, 1061 (9th Cir. 2002)
- Bank of California v. Connolly, 36 Cal. App. 3d 350, 365 (1973)
- Domino's Pizza, Inc. v. McDonald, 360 F. Supp. 3d 994, 1010 (N.D. Cal. 2018)
- Orosco v. Sun-Diamond Corp., 51 Cal. App. 4th 1659, 1666 (1996)
- Chang v. Wells Fargo Bank, N.A., 2020 WL 1694360, at *7 (N.D. Cal. Apr. 7, 2020)
- Nasrawi v. Buck Consultants LLC, 231 Cal. App. 4th 328, 343 (2014)
- Wild Rivers Waterpark Mgmt. LLC v. Katy WP Grp., LLC, 2019 WL 6998669, at *8 (C.D. Cal. Feb. 26, 2019)
- Aryeh v. Canon Bus. Sols., Inc., 55 Cal. 4th 1185, 1192 (2012)
- Fox v. Ethicon Endo-Surgery, Inc., 35 Cal. 4th 797, 807 (2005)
- Romano v. Rockwell Int'l, Inc., 14 Cal. 4th 479, 487 (1996)
- Korea Supply Co. v. Lockheed Martin Corp., 29 Cal. 4th 1134, 1153 (2003)
- City of Vista v. Robert Thomas Sec., Inc., 84 Cal. App. 4th 882, 886 (2000)
- Cover v. 1-800-Flowers.com, Inc., 2015 WL 4396215, at *2-*4 & n.4 (N.D. Cal. July 17, 2015)
- In re California Pub. Utilities Comm'n, 892 F.2d 778, 780 (9th Cir. 1989)
- United States v. Sanmina Corp., 968 F.3d 1107, 1119 (9th Cir. 2020)
- Admiral Ins. Co. v. U.S. Dist. Ct., 881 F.2d 1486, 1494 (9th Cir. 1989)
- United States v. Nobles, 422 U.S. 225, 238-39 (1975)