

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF ARIZONA

Fraser MacDonald v. Jack L. Sinclair, et al.

No. CV-25-04723-PHX-DWL (D. Ariz. Feb. 5, 2026) · No. No. CV-25-04723-PHX-DWL · Decided February 5, 2026

SUMMARY

The United States District Court for the District of Arizona grants in part the parties’ stipulation to consolidate two shareholder derivative actions involving Sprouts Farmers Market, Inc. MacDonald v. Sinclair is designated as the lead action, future filings are directed to that case, and The Brown Law Firm, P.C. and Kuehn Law, PLLC are appointed co-lead counsel for plaintiffs.

CASE DETAILS

COURT	United States District Court for the District of Arizona
WRITING FOR THE COURT	Dominic W. Lanza
JURISDICTION	United States District Court for the District of Arizona
DECIDED	February 5, 2026
DOCKET	No. CV-25-04723-PHX-DWL
DISPOSITION	other
PROCEDURAL POSTURE	The court considered the parties’ stipulation to consolidate two shareholder derivative actions and to appoint co-lead counsel for the plaintiffs.
STANDARD OF REVIEW	Abuse-of-discretion framework for consolidation; district courts have substantial discretion whether and to what extent to consolidate actions.
PRECEDENTIAL VALUE	Unknown; district court order with no reported citation and metadata indicating unknown precedential status.

TOPICS

- shareholder derivative suits
- joinder
- civil procedure
- corporate governance

PRACTICE AREAS

- civil procedure
- corporate law
- shareholder derivative litigation

QUESTIONS PRESENTED

1. Whether the two shareholder derivative actions should be consolidated under Federal Rule of Civil Procedure 42(a).
2. Whether the court should designate The Brown Law Firm, P.C. and Kuehn Law, PLLC as co-lead counsel for the consolidated plaintiffs.
3. What caption and filing procedures should govern the consolidated actions.

HOLDINGS

1. The actions were properly consolidated because they involved common questions of law and fact and consolidation would promote convenience and economy in administration.
2. Consolidation did not merge the actions into a single cause or alter the parties' rights, but all future filings concerning both actions were required to use the MacDonald caption and no additional documents could be filed in Kaiser.
3. The court appointed The Brown Law Firm, P.C. and Kuehn Law, PLLC as co-lead counsel for the plaintiffs in the consolidated actions.

KEY QUOTATIONS

"District courts enjoy substantial discretion in deciding whether and to what extent to consolidate cases." (at 1)

"consolidation is permitted as a matter of convenience and economy in administration, but does not merge the suits into a single cause, or change the rights of the parties, or make those who are parties in one suit parties in another." (at 1)

"The above-captioned action, MacDonald v. Sinclair, et al., No. CV-25-04723-PHX-DWL, shall serve as the lead action." (at 3)

FACTUAL BACKGROUND

Both actions were shareholder derivative suits brought on behalf of Sprouts Farmers Market, Inc. They involved substantially overlapping defendants, alleged violations of law, and similar predicate facts, and the court determined that consolidation would promote convenience and economy in administration.

PROCEDURAL HISTORY

The MacDonald and Kaiser actions were pending before the District of Arizona and involved common questions of law and fact concerning Sprouts Farmers Market, Inc. The parties stipulated to consolidation and appointment of co-lead counsel. The court granted the request in part, consolidated the cases for all purposes with MacDonald as the lead action, appointed co-lead counsel, retained the existing MacDonald caption, and issued case-management directives.

DISPOSITION

CASES CITED

- Hall v. Hall, 584 U.S. 59, 70, 77 (2018)
- Lee ex rel. Coherent, Inc. v. Ambroseo, 2007 WL 1558565, at *1-*2 (N.D. Cal. 2007)
- Sexton ex rel. Jones Soda Co. v. Van Stolk, 2008 WL 1733242, at *1 (W.D. Wash. 2008)
- Vincent v. Hughes Air West, Inc., 557 F.2d 759 (9th Cir. 1977)
- MacAlister

OPINION

1 WO 2 3 4 5 6 IN THE UNITED STATES DISTRICT COURT 7 FOR THE DISTRICT OF ARIZONA 8 9 Fraser MacDonald, No. CV-25-04723-PHX-DWL 10 Plaintiff, ORDER 11 v. 12 Jack L Sinclair, et al., 13 Defendants. 14 15 Pending before the Court is the parties' "Stipulation Consolidating Cases and 16 Appointing Co-Lead Counsel for Plaintiffs." (Doc. 9.) 17 Propriety of Consolidation.

Rule 42(a) of the Federal Rules of Civil Procedure 18 grants authority to consolidate "actions before the court" if they "involve a common 19 question of law or fact." Id. "District courts enjoy substantial discretion in deciding 20 whether and to what extent to consolidate cases." Hall v. Hall, 584 U.S. 59, 77 (2018). 21 "[C]onsolidation is permitted as a matter of convenience and economy in administration, 22 but does not merge the suits into a single cause, or change the rights of the parties, or make 23 those who are parties in one suit parties in another." Id. at 70 (cleaned up).

24 The two actions that are the subject of the parties' consolidation request are both 25 shareholder derivative actions on behalf of Sprouts Farmers Market, Inc. The Court agrees 26 with the parties (Doc. 9 at 3) that both actions share common questions of law and fact and 27 that consolidation will promote convenience and economy in administration. Cf. Lee ex 28 rel Coherent, Inc. v. Ambroseo, 2007 WL 1558565, *1 (N.D.

Cal. 2007) ("The three 1 shareholder derivative actions clearly involve common questions of law and fact as they 2 are brought against substantially the same defendants, allege the same violations of law 3 and allege similar predicate facts.

Moreover, the Court has received no opposition to the 4 motions to consolidate. Accordingly, the motions will be granted."). Furthermore, the 5 undersigned has consulted with the judge to whom the other matter is assigned, and she 6 does not oppose consolidation. See LRCiv 42.1(b) ("The motion will be heard and decided, 7 after consulting with the Judges assigned to the other affected cases, in the case with the 8 lowest case number that is assigned to a District Judge.").

Accordingly, the consolidation 9 request is granted. 10 Effect Of Consolidation. In their stipulation, the parties seek to change the caption 11 of this case in various ways. (Doc. 9 at 3-4.) The Court appreciates that this proposal was 12 intended to promote efficiency, but it is unnecessary and deviates from the usual practice 13 in this District.

The caption of this case will remain the same. The Court will simply 14 clarify, as ordered below, that all documents filed in the future regarding the two 15 consolidated actions are to be filed under the caption MacDonald v. Sinclair, et al., No. 16 CV-25-04723-PHX-DWL, and that no additional documents shall be filed in Kaiser v. 17 Sinclair, et al., No. CV-26-00191-PHX-DJH.

Cf. Sexton ex rel. Jones Soda Co. v. Van 18 Stolk, 2008 WL 1733242, *1 (W.D. Wash. 2008) (“Pursuant to Fed.R.Civ.P. 42(a), the 19 above-captioned matters are hereby consolidated for all purposes. All documents filed in 20 the future regarding these matters are to be filed under the caption Sexton v. Van Stolk, et 21 al., Cause No. C07–1782RSL.... No additional documents shall be filed in Cause No. 22 C08–0018RSL.”).

23 Appointment Of Co-Lead Counsel. The parties also include, in their stipulation, a 24 request that the Court designate The Brown Law Firm, P.C. and Kuehn Law, PLLC as co- 25 lead counsel for plaintiffs in the consolidated actions. (Doc. 9 at 3.) This request is 26 appropriate and will be granted. Lee, 2007 WL 1558565 at *2 (“The Second Circuit 27 interpreted [Rule 48(a)]... [as] holding that a district court may consolidate multiple 28 derivative actions and appoint lead counsel for the consolidated plaintiffs.

The Ninth 1 Circuit followed MacAlister in Vincent v. Hughes Air West, Inc., 557 F.2d 759 (9th Cir. 2 1977)....”). See generally 1 Gensler, Federal Rules of Civil Procedure, Rules and 3 Commentary, Rule 42 (2022) (“Rule 42(a)(3) provides that courts may ‘issue any other 4 orders to avoid unnecessary delay or cost.’ For example, courts have relied on this 5 language to enter orders designating lead or liaison counsel in complex litigation.”).

6 Accordingly, 7 IT IS ORDERED that: 8 1. The parties’ stipulation (Doc. 9) is granted in part, as discussed above. 9 2. MacDonald v. Sinclair, et al., No. CV-25-04723-PHX-DWL and Kaiser v. 10 Sinclair, et al., No. CV-26-00191-PHX-DJH are consolidated for all purposes.

The above- 11 captioned action, MacDonald v. Sinclair, et al., No. CV-25-04723-PHX-DWL, shall serve 12 as the lead action. 13 3. All documents filed in the future regarding the two consolidated actions are 14 to be filed under the caption MacDonald v. Sinclair, et al., No. CV-25-04723-PHX-DWL, 15 and no additional documents shall be filed in Kaiser v. Sinclair, et al., No. CV-26-00191- 16 PHX-DJH.

17 4. All papers and documents previously filed and/or served in Kaiser v. 18 Sinclair, et al., No. CV-26-00191-PHX-DJH shall be deemed a part of the record in 19 MacDonald v. Sinclair, et al., No. CV-25-04723-PHX-DWL. 20 5. Co-Lead Counsel for plaintiffs for the conduct of the

consolidated actions 21 shall be: 22 THE BROWN LAW FIRM, P.C. 23 Timothy Brown 24 767
Third Avenue, Suite 2501 25 New York, NY 10017 26 Telephone: (516) 922-5427 27 Fax: (516)
344-6204 28 Email: tbrown@thebrownlawfirm.net I KUEHN LAW, PLLC 2 Justin A. Kuehn 3
Molly J. Brown 4 53 Hill Street, Suite 605 5 Southampton, New York 11968 6 6.

Plaintiffs' Co-Lead Counsel shall have the sole authority to speak for || plaintiffs in the
consolidated actions in all matters regarding pre-trial procedures and shall 8 || make all work
assignments in such manner as to facilitate the orderly and efficient 9|| prosecution of this
litigation and to avoid duplicative or unproductive effort. Co-Lead || Counsel shall be responsible
for coordinating all activities and appearances on behalf of || plaintiffs.

No motion, request for discovery, or other pretrial proceedings will be initiated or filed by any
plaintiffs except through Co-Lead Counsel. Defendants' counsel may rely 13} upon all agreements
made with Co-Lead Counsel, or other duly authorized representatives of Co-Lead Counsel, and
such agreements shall be binding on all plaintiffs. 15 7. Within 60 days of the issuance of this
order, the parties shall submit a || proposed schedule.

Defendants are not required to respond to the complaints or any || amended complaint in the
consolidated actions until the date set by the Court in ruling on 18 || the proposed schedule. 19
Dated this Sth day of February, 2026. 20 Dominic W. Lanza 23 United States District Judge 24 25
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