

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF OREGON

Erik Natkin, DO and Dr. Erik Natkin, DO PC v. Benjamin Natkin

Natkin · No. 3:25-cv-00040-YY · Decided March 5, 2026

SUMMARY

The United States District Court for the District of Oregon adopts a magistrate judge’s findings and recommendation and dismisses without prejudice a diversity declaratory-judgment action concerning contractual legal fees. Applying the Brillhart/Wilton doctrine, the court concludes that the action would involve a needless determination of state-law issues and that the parties’ objections do not warrant retaining jurisdiction. Pending motions are denied as moot.

CASE DETAILS

COURT	United States District Court for the District of Oregon
WRITING FOR THE COURT	Adrienne Nelson, United States District Judge
JURISDICTION	United States District Court for the District of Oregon
DECIDED	March 5, 2026
DOCKET	3:25-cv-00040-YY
DISPOSITION	dismissed
PROCEDURAL POSTURE	Plaintiffs objected to a magistrate judge's findings and recommendation recommending dismissal of their declaratory judgment action under the Brillhart/Wilton abstention doctrine. Defendant also objected to part of the recommendation. The district court conducted de novo review and adopted the findings and recommendation in full.
STANDARD OF REVIEW	De novo review of the objected-to portions of the magistrate judge's findings and recommendation under 28 U.S.C. § 636(b)(1)(C) and Federal Rule of Civil Procedure 72(b); discretionary review of the decision whether to exercise jurisdiction under the Declaratory Judgment Act and Brillhart/Wilton.
PRECEDENTIAL VALUE	unpublished district court order
PARTIES	Erik Natkin, DO, Dr. Erik Natkin, DO PC v. Benjamin Natkin

TOPICS

declaratory judgment

motions to dismiss

civil procedure

contract interpretation

contracts

PRACTICE AREAS

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QUESTIONS PRESENTED

1. Whether the first Brillhart factor favored abstention because exercising federal jurisdiction would require a needless determination of state-law issues.
2. Whether the second Brillhart factor concerning forum shopping favored abstention, including whether plaintiffs' action was sufficiently reactive or anticipatory to warrant dismissal.
3. Whether the district court was required to consider additional Brillhart factors concerning whether all parties' claims could be adjudicated, whether necessary parties had been joined, and whether necessary parties were amenable to process.
4. Whether the district court should adopt the magistrate judge's recommendation and dismiss the declaratory judgment action without prejudice.

HOLDINGS

1. The first Brillhart factor favored abstention because the federal declaratory judgment action involved only state-law contract issues that were being addressed in a parallel state proceeding.
2. The second Brillhart factor did not favor abstention merely because the federal action was reactive; a reactive declaratory action does not automatically warrant dismissal when legitimate reasons support the plaintiff's choice of forum.
3. The district court was not required to separately analyze every potential Brillhart consideration because the three rationales identified in Brillhart and emphasized by Ninth Circuit precedent were sufficient and the remaining potential factors were irrelevant on these facts.

KEY QUOTATIONS

“Contrary to defendant’s position, a finding that an action is reactive does not automatically command a finding that the second Brillhart factor tips in favor of abstention where there exist other legitimate reasons for a plaintiff pursuing a given forum.” (Discussion B)

“Accordingly, this action is DISMISSED without prejudice pursuant to the Brillhart/Wilton doctrine, and any pending motions are DENIED as moot.” (Conclusion)

FACTUAL BACKGROUND

Plaintiffs brought a diversity action seeking a declaration concerning the parties' contractual rights and the amount Benjamin Natkin was owed for legal services under a fee agreement. A parallel proceeding concerning the same underlying dispute was pending in Los Angeles County Superior Court. The federal and state proceedings involved the same parties, substantially overlapping facts, and state-law contract issues, although plaintiffs disputed whether Oregon or California law and the same fee agreement were involved.

PROCEDURAL HISTORY

Plaintiffs filed a diversity action seeking declaratory relief concerning the parties' contractual rights and the amount allegedly owed to defendant for legal services. Defendant moved to dismiss under the Brillhart-Wilton doctrine, for lack of personal jurisdiction, and alternatively for improper venue or forum non conveniens. Magistrate Judge Youlee Yim You recommended dismissal without prejudice under Brillhart/Wilton and denial of pending motions as moot. After considering the parties' objections under 28 U.S.C. § 636(b)(1)(B) and Federal Rule of Civil Procedure 72(b), the district court adopted the recommendation and dismissed the action without prejudice.

DISPOSITION

dismissed

CASES CITED

- Chamberlain v. Allstate Insurance Co., 931 F.2d 1361, 1367 (9th Cir. 1991)
- Jones v. Blanas, 393 F.3d 918, 935 (9th Cir. 2004)
- United States v. Howell, 231 F.3d 615, 621-22 (9th Cir. 2000)
- Maryland Casualty Co. v. Witherspoon, 993 F. Supp. 2d 1178, 1183 (C.D. Cal. 2014)
- R.R. Street & Co. v. Transportation Insurance Co., 656 F.3d 966, 975, 982 (9th Cir. 2011)
- Brown v. Iconex, LLC, No. 8:23-cv-00276-FWS-JDE, 2023 WL 6786773, at *1-3 (C.D. Cal. May 17, 2023)
- First Federal Bank v. BLC Water Co. LLC, No. 3:24-cv-05729-TL, 2024 WL 4949039, at *1-2 (W.D. Wash. Dec. 3, 2024)
- Huth v. Hartford Insurance Co. of the Midwest, 298 F.3d 800, 804 (9th Cir. 2002)
- Government Employees Insurance Co. v. Dizol, 133 F.3d 1220, 1225 & n.5 (9th Cir. 1998)
- Continental Casualty Co. v. Robsac Industries, 947 F.2d 1367, 1371-73 (9th Cir. 1991)
- Smith v. Lenches, 263 F.3d 972, 977-78 (9th Cir. 2001)
- Geragos & Geragos, APC v. Travelers Indemnity Co. of Connecticut, Case No. CV 20-4414 PSG (Ex), 2020 WL 4673459, at *8 (C.D. Cal. Aug. 12, 2020)
- Brillhart v. Excess Insurance Co. of America, 316 U.S. 491, 495 (1942)
- Disabled Rights Action Committee v. Las Vegas Events, Inc., 375 F.3d 861, 878, 880 (9th Cir. 2004)
- Adidas America, Inc. v. Herbalife International, Inc., No. CV 09-661-MO, 2010 WL 596584, at *2 (D. Or. Feb. 12, 2010)
- Inherent.com v. Martindale-Hubbell, 420 F. Supp. 2d 1093, 1098-99 (N.D. Cal. Mar. 10, 2006)
- Ex-Im Plastics, Inc. v. Miwon America, Inc., No. CV 96-5610 JGD RCX, 1996 WL 928189, at *2-3 (C.D. Cal. Oct. 28, 1996)