UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLORADO

The Berger Trust v. Andrew Rees, Thomas Smach, Ronald Frasch, Charisse Ford Hughes, Beth Kaplan, Ian Bickley, Douglas J. Treff, Neeraj Tolmare, Anne Mehlman, Susan Healy, and Crocs, Inc.

The Berger Trust v. Rees · No. 25-cv-00597-PAB-SBP · Decided March 17, 2026

SUMMARY

The United States District Court for the District of Colorado grants the parties' joint motion to stay a shareholder derivative action involving Crocs, Inc. The court administratively closes the case pending resolution of a related securities class action in the District of Delaware and requires a status report by May 5, 2026, or within 14 days after resolution of the related motion to dismiss, whichever is earlier.

CASE DETAILS

COURT	United States District Court for the District of Colorado
WRITING FOR THE COURT	Philip A. Brimmer
JURISDICTION	United States District Court for the District of Colorado
DECIDED	March 17, 2026
DOCKET	25-cv-00597-PAB-SBP
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff brought a shareholder derivative action, and the parties jointly moved to stay the action pending resolution of a motion to dismiss in a related securities class action pending in the District of Delaware.
STANDARD OF REVIEW	A stay is evaluated under the court's inherent authority to control its docket and, in this District, the five String Cheese factors: the plaintiff's interest in expeditious resolution and potential prejudice, the burden on defendants, judicial convenience, the interests of nonparties, and the public interest.
PRECEDENTIAL VALUE	Unknown; district court order and source metadata identify precedential status as unknown.

TOPICS

shareholder derivative suits · civil procedure · corporate law · commercial litigation

PRACTICE AREAS

civil procedure | corporate law | commercial litigation | shareholder derivative litigation

QUESTIONS PRESENTED

1. Whether the court should stay the derivative action pending resolution of the motion to dismiss in the related Delaware securities class action.
2. Whether the court should administratively close the case during the indefinite stay pursuant to D.C.COLO.LCivR 41.2.

HOLDINGS

1. The String Cheese factors weigh in favor of staying the derivative action because both parties requested the stay, plaintiff was unlikely to suffer prejudice from the delay, defendants would face minimal burden, a stay would conserve judicial resources, and the remaining factors were neutral.
2. The court may administratively close a case under D.C.COLO.LCivR 41.2 when the case is stayed for an unknown or indefinite period, subject to reopening for good cause.

KEY QUOTATIONS

> *"A court may enter a stay of proceedings incidental to its inherent power to "control the disposition of the causes on its docket with economy of time and effort for itself, for counsel, and for litigants.""* (at 1)

> *"However, the Tenth Circuit has cautioned that "the right to proceed in court should not be denied except under the most extreme circumstances.""* (at 1)

> *"Administrative closure is "the practical equivalent of a stay.""* (at 2)

FACTUAL BACKGROUND

The plaintiff brought a derivative action on behalf of Crocs, Inc. A related putative securities class action was pending in the District of Delaware and involved overlapping facts, documents, and witnesses. The defendants in the Delaware action had filed a motion to dismiss, and the parties believed its resolution could inform this derivative action. Both sides therefore jointly sought a stay.

PROCEDURAL HISTORY

The Berger Trust filed this derivative action on February 24, 2025. A putative securities class action involving Crocs, Inc. was already pending in the District of Delaware, with overlapping facts, documents, and witnesses. The parties jointly requested a stay until the Delaware court ruled on its motion to dismiss or either party withdrew consent. The court granted the stay and administratively closed the case, subject to reopening for good cause.

DISPOSITION

other

CASES CITED

- Springmeadows Condo. Ass’n v. Am. Family Mut. Ins. Co., No. 14-cv-02199-CMA-KMT, 2014 WL 7005106, at *1 (D. Colo. Dec. 9, 2014)
- Landis v. N. Am. Co., 299 U.S. 248, 254-55 (1936)
- Commodity Futures Trading Comm’n v. Chilcott Portfolio Mgmt., Inc., 713 F.2d 1477, 1484 (10th Cir. 1983)
- Davidson v. Bank of Am. N.A., No. 14-cv-01578-CMA-KMT, 2015 WL 5444308, at *1 (D. Colo. Sept. 16, 2015)
- String Cheese Incident, LLC v. Stylus Shows, Inc., No. 05-cv-01934-LTB-PAC, 2006 WL 894955, at *2 (D. Colo. Mar. 30, 2006)
- Thomas v. Rogers, No. 19-cv-01612-RM-KMT, 2019 WL 5085045, at *3 (D. Colo. Oct. 10, 2019)
- Garcia v. State Farm Mut. Fire & Cas. Co., No. 20-cv-02480-PAB-MEH, 2021 WL 4439792, at *6 (D. Colo. Sept. 27, 2021)
- sPower Dev. Co., LLC v. Colo. Pub. Utilities Comm'n, No. 17-cv-00683-CMA-NYW, 2018 WL 5996962, at *4 (D. Colo. Nov. 15, 2018)
- Quinn v. CGR, 828 F.2d 1463, 1465 n.2 (10th Cir. 1987)