UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF CALIFORNIA

Roberts v. IFS Topco, LLC

No. 24-CV-2433-BEN-BLM (S.D. Cal. Apr. 3, 2025) · No. 24-CV-2433-BEN-BLM · Decided April 3, 2025

SUMMARY

The United States District Court for the Southern District of California grants Plaintiff Jeffrey Roberts's motion to remand. The court holds that the breach-of-contract claim arising from a separately negotiated severance agreement was not completely preempted by ERISA under the two-part Davila test because the claim could not have been brought under 29 U.S.C. § 1132(a) and arose from an independent legal duty. The case is remanded to the Superior Court of California for the County of San Diego.

CASE DETAILS

COURT	United States District Court for the Southern District of California
WRITING FOR THE COURT	Roger T. Benitez
JURISDICTION	United States District Court for the Southern District of California
DECIDED	April 3, 2025
DOCKET	24-CV-2433-BEN-BLM
DISPOSITION	remanded
PROCEDURAL POSTURE	Plaintiff moved to remand the removed action to California state court and requested attorney's fees and costs under 28 U.S.C. § 1447(c).
STANDARD OF REVIEW	The removing party bears the burden of establishing federal jurisdiction; removal statutes are strictly construed against removal, and doubts are resolved in favor of remand.
PRECEDENTIAL VALUE	Unknown
PARTIES	Jeffrey Roberts v. IFS Topco, LLC, BradyIFS Manafement Holdco, LLC, Does 1 through 25

TOPICS

subject matter jurisdiction · civil procedure · breach of contract · contracts

PRACTICE AREAS

civil procedure · contracts · employment law · employee benefits · federalism

QUESTIONS PRESENTED

1. Whether the breach-of-contract claim concerning the separately negotiated Severance Agreement was completely preempted by ERISA so as to create federal-question removal jurisdiction.
2. Whether the plaintiff could have brought the severance claim under ERISA's civil-enforcement provision, 29 U.S.C. § 1132(a).
3. Whether the severance claim arose from an independent legal duty apart from ERISA.

HOLDINGS

1. The breach-of-contract claim was not completely preempted by ERISA because it failed both parts of the Davila test: it could not have been brought under 29 U.S.C. § 1132(a), and it arose from duties independently imposed by the negotiated Severance Agreement.
2. Removal was improper because the complaint did not present a removable federal question and ERISA complete preemption did not apply.

KEY QUOTATIONS

> *"to do little more than write a check hardly constitutes the operation of a benefit plan."* (Discussion § II.a)

FACTUAL BACKGROUND

Roberts's original state-court complaint challenged noncompete and forum-selection clauses through four California-law claims. His later breach-of-contract claim alleged that defendants failed to pay benefits promised in a separately negotiated Severance Agreement, which provided fixed severance payments, a prorated bonus, a COBRA offset, and outplacement services. The agreement did not reference ERISA, a plan administrator, a claims process, or fiduciary obligations, and the court found that the benefits required no discretionary or ongoing plan administration.

PROCEDURAL HISTORY

Roberts initially filed four California state-law claims in San Diego Superior Court on October 16, 2024. He filed a first amended complaint on November 26, 2024, adding a breach-of-contract claim concerning severance benefits, but the state court did not accept the amended filing until January 2, 2025. Defendants removed the action on December 23, 2024, relying solely on alleged ERISA complete preemption of the original claims. The federal district court held removal improper and remanded the action.

DISPOSITION

remanded

REMAND INSTRUCTIONS

The action was remanded to the Superior Court of the State of California for the County of San Diego.

CASES CITED

- Williams v. Costco Wholesale Corp., 471 F.3d 975, 976 (9th Cir. 2006)
- Gaus v. Miles, Inc., 980 F.2d 564, 566 (9th Cir. 1992)
- Caterpillar, Inc. v. Williams, 482 U.S. 386, 392 (1987)
- Aetna Health Inc. v. Davila, 542 U.S. 200, 207-10 (2004)
- Beneficial Nat'l Bank v. Anderson, 539 U.S. 1, 8 (2003)
- Fossen v. Blue Cross & Blue Shield of Mont., Inc., 660 F.3d 1102, 1107-08 (9th Cir. 2011)
- Marin Gen. Hosp. v. Modesto & Empire Traction Co., 581 F.3d 941, 946-50 (9th Cir. 2009)
- Fort Halifax Packing Co. v. Coyne, 482 U.S. 1, 12 (1987)
- Bogue v. Ampex Corp., 976 F.2d 1319, 1323 (9th Cir. 1992)
- Graham v. Balcor Co., 146 F.3d 1052, 1055 (9th Cir. 1998)
- Gresham v. Lumbermen's Mut. Cas. Co., 404 F.3d 253, 259 (4th Cir. 2002)
- Rodowicz v. Mass. Mut. Life Ins. Co., 192 F.3d 162, 170-72 (1st Cir. 1999)
- Wells v. Gen. Motors Corp., 881 F.2d 166, 176 (5th Cir. 1989)
- Delaye v. Agripac, Inc., 39 F.3d 235, 237 (9th Cir. 1994)
- Velarde v. PACE Membership Warehouse, Inc., 105 F.3d 1313, 1317 (9th Cir. 1997)
- Bowles v. Quantum Chem. Co., 266 F.3d 622, 631 (7th Cir. 2001)
- Fitzgerald v. Celergy Networks Inc., 67 F. App'x 390, 392 (9th Cir. 2003)
- Damon v. Korn/Ferry Int'l, No. CV 15-2640-R, 2015 WL 2452809, at *3 (C.D. Cal. May 19, 2015)
- Marks v. Newcourt Credit Grp., Inc., 342 F.3d 444, 452 (6th Cir. 2003)