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**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA**

WHITE KNIGHT YACHT LLC,  
  
Plaintiff,  
  
v.  
  
CERTAIN LLOYDS AT LLOYD’S  
LONDON AND OTHER LONDON  
MARKET INSURERS, *et al.*,  
  
Defendants.

Case No. 18-cv-02616-BAS-BLM

**ORDER:**

**(1) GRANTING DEFENDANTS  
CERTAIN LLOYDS AT  
LLOYD’S LONDON’S AND  
H.W. WOOD LIMITED’S  
MOTIONS TO DISMISS [ECF  
Nos. 11, 13];**

**(2) GRANTING DEFENDANT  
UNITED YACHT  
TRANSPORT LLC’S MOTION  
TO DISMISS FOR LACK OF  
PERSONAL JURISDICTION  
[ECF No. 33];**

**AND**

**(3) TERMINATING AS MOOT  
DEFENDANT H.W. WOOD  
LIMITED’S MOTION TO  
STRIKE [ECF No. 12]**

California-based Plaintiff White Knight Yacht LLC (“White Knight”) arranged for transportation of a Yacht—*White Knight*—from Victoria, Canada to Ensenada, Mexico, pursuant to a shipping contract (“Shipping Contract”) with

1 Washington state-based Raven Offshore Shipping LLP (“Raven”). Raven is not a  
2 party to this lawsuit.<sup>1</sup>

3 Raven further contracted with Delaware and Florida-based Defendant United  
4 Yacht Transport LLC (“UYT”) to perform the actual transport. The Yacht was  
5 insured under an insurance policy through non-party International Marina  
6 Underwriters (“IMU”) (the “Marine Policy”), but because IMU told Plaintiff certain  
7 Shipping Contract provisions would void the Marine Policy during transport,  
8 Plaintiff contracted with Raven for additional insurance during transport.

9 Thus, the Shipping Contract included the cost of cargo insurance to cover  
10 *White Knight* during transport. UYT obtained a cargo insurance policy (the “Cargo  
11 Policy”) via England-based Defendant insurance broker H.W. Wood Limited  
12 (“H.W. Wood”), who obtained the Cargo Policy from England-based Defendant  
13 Certain Lloyds at Lloyd’s London and Other London Market Insurers (“Lloyds”).

14 When the Yacht was allegedly damaged during transport, Plaintiff sought  
15 recovery from: non-party IMU, non-party Raven, and now, in this lawsuit, UYT,  
16 H.W. Wood, and Lloyds.

17 Lloyds and H.W. Wood each move to dismiss Plaintiff’s claims on various  
18 grounds, including that the Cargo Policy’s forum selection clause provides for  
19 exclusive jurisdiction in the Courts of England and Wales. (ECF Nos. 11, 13, 22,  
20 26.) Plaintiff opposes in a consolidated opposition. (ECF No. 19.) H.W. Wood also  
21 moves to strike Plaintiff’s request for punitive damages. (ECF Nos. 12, 24.)  
22 Plaintiff opposes. (ECF No. 18.) And, after filing an answer to the Complaint, UYT  
23 separately moves to dismiss Plaintiff’s claims against it for lack of personal  
24 jurisdiction and improper venue. (ECF Nos. 33, 35.) Plaintiff opposes. (ECF No.  
25 34.) For the reasons herein, the Court: (1) grants Defendants Lloyds’ and H.W.

26

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27 <sup>1</sup> Raven is not a party because the Shipping Contract contains an arbitration provision.  
28 (ECF No. 19-2, Chris Ashby Decl. ¶ 24; *see also* ECF No. 13-1 (noting that “Plaintiff has already  
commenced arbitration against Raven, which is ongoing”).)

1 Wood’s motions to dismiss based on the Cargo Policy’s forum selection clause; (2)  
2 terminates H.W. Wood’s motion to strike punitive damages, and (3) grants UYT’s  
3 motion to dismiss for lack of personal jurisdiction.

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## RELEVANT BACKGROUND

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### A. Factual Background

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Plaintiff is a limited liability company organized and existing under Delaware law. (ECF No. 1, Compl. ¶ 2.) Plaintiff sought to have the Yacht transported from Victoria, Canada to Ensenada, Mexico in April 2017. (*Id.* ¶¶ 7–8, Ex. B at 1, Ex. C at 1.) Chris Ashby, Plaintiff’s president and CEO, is not a named plaintiff, but he entered into the Shipping Contract on Plaintiff’s behalf and tendered Plaintiff’s payment for the contract’s cost. (ECF No. 19-2, Chris Ashby Decl. ¶ 1.)

Each of the Defendants has some relationship with the Cargo Policy. Lloyds is the insurer that issued the Cargo Policy. (Compl. ¶¶ 3, 11, Ex. C (copy of the Cargo Policy).) H.W. Wood is the insurance broker that acquired the Cargo Policy. (*Id.* ¶¶ 5, 10, Ex. C at 2.) And UYT’s vice president allegedly signed the Cargo Policy “for the purposes of binding [Lloyds] to the insurance contract.” (*Id.* ¶ 11.)

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#### 1. The Shipping Contract and Cargo Policy

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The Yacht was insured under an insurance policy through non-party IMU (the “Marine Policy”) at the time of the Yacht’s shipment from Canada to Mexico. (Compl. ¶ 7, Ex. A.) However, IMU apparently represented to Plaintiff that certain Shipping Contract provisions would have the effect of voiding the Marine Policy during its transport. (*Id.* ¶¶ 9–10.)

27

Plaintiff alleges that “prior to entering the Shipping Contract, Rick Gladych, on behalf of Raven, represented to Chris Ashby that the cargo insurance offered by

1 [Lloyds] and included in the price of the shipping contract bearing Policy No.  
2 C21867/2016 (the ‘Cargo Policy’), would cover *White Knight* from the time the  
3 Yacht was moved to the place for loading until it was delivered.” (*Id.* ¶ 10.) The  
4 Shipping Contract reflects a total transport price of \$48,876.00 USD, which included  
5 the cost of Lloyds’ cargo insurance. (Compl. Ex. B at 1, 7–9.) Plaintiff entered into  
6 the Shipping Contract with Raven. (Compl. ¶ 8, Ex. B.) Ashby reviewed the  
7 Shipping Contract’s terms and signed the Shipping Contract on April 5, 2017, which  
8 he then returned to Raven. (*Id.* at 2, 15; Ashby Decl. ¶ 13.)

9

10 The Cargo Policy was effectuated after Ashby’s initial review of the Shipping  
11 Contract, but before Ashby tendered Plaintiff’s payment for the Shipping Contract.  
12 The Policy indicates that H.W. Wood, “acting on behalf of United Yacht Transport,”  
13 deposited a certificate of insurance with Lloyds in accordance with a general  
14 insurances contract H.W. Wood possessed with Lloyds. (Compl. Ex. C at 1.) Under  
15 the certificate, Plaintiff would be insured up to \$700,000 for the April 25, 2017  
16 shipment of the Yacht. Gail Ryan, UYT’s vice president, signed the Cargo Policy  
17 on April 25, 2017, which rendered the Cargo Policy valid. (*Id.*) The Cargo Policy  
18 indicates that any claim notice under the policy should be provided to Lloyds’ agent  
19 Pablo Ruiz Lara, for whom the certificate provides contact information. (*Id.*) The  
20 Cargo Policy indicates that “[i]n the event of loss or damage which may result in a  
21 claim under this Insurance, immediate notice must be given to the [Lloyds’] agent at  
22 the port or place where the loss or damage is discovered in order that they may  
23 examine the goods and issue a survey report.” (*Id.*) The Cargo Policy also provides  
24 that “[t]his insurance is subject to the law and practice of England and Wales and to  
25 the exclusive jurisdiction of the Courts of England and Wales.” (*Id.* at 3.) The day  
26 after Ryan signed the Cargo Policy, Ashby tendered Plaintiff’s payment for the  
27 Shipping Contract, inclusive of the Cargo Policy’s cost, by wiring money to Raven.  
28 (*Compare* Compl. Ex. C, with ECF No. 19-1 Ex. 2.)

1  
2           **2. Plaintiff’s Discovery of Alleged Damage to the Yacht During**  
3           **Shipment and Its Attempts to Seek Coverage for Repair Cost**

4           Plaintiff alleges that the Yacht suffered damage to its hull and interior “while  
5 being loaded and shipped by UYT under the Shipping Contract.” (Compl. ¶ 12.)  
6 The damage occurred “after delivery of the vessel to the place for immediate loading  
7 and continued throughout transit due to rain water intrusion.” (*Id.*) Upon seeing the  
8 alleged damage, Ashby confronted Gladych, who initially “assured [] Ashby that he  
9 [on behalf of Raven] would pay to have the damage to *White Knight* repaid,” but  
10 Gladych, at some point, “revoked his promise once he learned the extent of the  
11 damage.” (*Id.* ¶ 14.) Plaintiff also tendered a claim under its Marine Policy to IMU  
12 to cover the cost to repair the damage, which IMU denied on the ground that certain  
13 provisions of the Shipping Contract voided Plaintiff’s coverage. (*Id.* ¶ 15.)  
14

15           Apparently after these unsuccessful attempts and over eight months after the  
16 date of the alleged loss, Plaintiff “formally tendered the loss to [Lloyds]” to Pablo  
17 Ruiz Lara on January 4, 2018. (*Id.* ¶ 16, Ex. C at 3.) During this period, the entity  
18 Plaintiff contracted to repair the Yacht ceased work on the repairs because there was  
19 no source of payment. (*Id.* ¶ 18.) Plaintiff sent a follow-up letter to Lara on February  
20 7, 2018. (*Id.* ¶ 16.) That day, Plaintiff’s counsel was advised by another employee  
21 at the company where Lara worked that “[w]e are a company of surveyors and we  
22 have not been assigned this claim[.]” (ECF No. 19-1 Ex. 5.) The employee indicated  
23 that Lloyds had identified Sarah Martin of H.W. Wood as the proper correspondent  
24 for future correspondence regarding the claim. (*Id.*)  
25

26           Plaintiff then forwarded its claim to Martin on February 8, 2018. (Compl. ¶  
27 20.) Plaintiff sent a follow-up letter dated February 27, 2018 after receiving no  
28 response. (*Id.*) Martin advised Plaintiff on February 28, 2018 that “Frilot Law”—

1 an entity known to Plaintiff as Frilot LLC and with which Plaintiff “was familiar”  
2 because the entity represented Raven under Raven’s “CGL Policy”—was dealing  
3 with the matter. (*Id.* ¶ 21.) Plaintiff communicated with Frilot LLC for a few weeks  
4 until a partner informed Plaintiff that Frilot LLC was not handling potential liability  
5 under the Cargo Policy, but only represented Raven under Raven’s general liability  
6 policy. (*Id.* ¶¶ 22–25.)

7  
8 Plaintiff alleges that on March 19, 2018, Martin informed Plaintiff that she  
9 had never tendered the claim to Lloyds “as directed.” (*Id.* ¶ 28). Plaintiff demanded  
10 that “she immediately tender the claim as [Plaintiff] had directed back in January[.]”  
11 (*Id.* ¶ 29.) Thereafter, Martin advised that she was in communication with Lloyds.  
12 (*Id.* ¶ 30.) On May 8, 2018, Martin emailed Plaintiff stating, “[Lloyds] have advised  
13 they are awaiting a full response from ‘their’ insured, UYT, as they have still not  
14 formally informed us that they have received a claim in this regard.” (*Id.* ¶ 31.) On  
15 July 30, 2018, after Plaintiff threatened suit against Lloyds absent a coverage  
16 position, Martin “stated that she was the insurance broker acting on behalf of UYT,”  
17 and she was “confused and concerned” about Plaintiff referring “to a policy  
18 containing the named assured of White Knight subject to the conditions of the policy  
19 number C21867/2016[.]” (*Id.* ¶ 33.) Plaintiff alleges that this is the same policy  
20 under which it had been attempting to make a claim since January 2018. (*Id.* ¶ 34.)

## 21 22 **B. Procedural History**

23 Following its multiple unsuccessful attempts to obtain coverage for the cost  
24 to repair the alleged damage to the Yacht, Plaintiff initiated this lawsuit against  
25 Lloyds, H.W. Wood, and UYT on November 14, 2018. (ECF No. 1.)

26  
27 At the heart of this suit is the Cargo Policy. In the first instance, Plaintiff  
28 raises two contract-based claims against Lloyds for (1) allegedly breaching its duty

1 of good faith and fair dealing under the Cargo Policy, (*id.* ¶¶ 36–45), and (2)  
2 allegedly breaching the Cargo Policy “by refusing to properly handle” Plaintiff’s  
3 claim and “refusing to properly compensate” Plaintiff’s “insured loss,” (*id.* ¶¶ 46–  
4 52).

5  
6 Against the backdrop of these contract-based claims, Plaintiff raises two tort  
7 claims against both H.W. Wood and UYT for alleged intentional and negligent  
8 interference with the relationship between Plaintiff and Lloyds under the Cargo  
9 Policy. Specifically, Plaintiff claims that H.W. Wood intentionally interfered with  
10 the Cargo Policy because Martin allegedly “misdirected” Plaintiff “regarding the  
11 parties responsible for the claim” and “misdirected” Plaintiff “as to her role in the  
12 claim,” which “contributed to the undue delay in” Lloyds processing Plaintiff’s  
13 claim. (*Id.* ¶¶ 53–57.)

14  
15 Plaintiff similarly claims that UYT intentionally interfered “with the  
16 insurance contract between [Plaintiff] and [Lloyds].” (*Id.* ¶¶ 58–64.) UYT allegedly  
17 did so by failing to respond to Plaintiff’s claim—despite that Lloyds, Raven, and  
18 Plaintiff had contacted UYT “regarding [UYT’s] purported duty to report the claim  
19 to [Lloyds][.]” (*Id.* ¶¶ 58–64.) Plaintiff also claims that H.W. Wood negligently  
20 interfered with Plaintiff’s prospective economic advantage because H.W. Wood  
21 knew of the Cargo Policy and allegedly “failed to act with reasonable care” regarding  
22 Plaintiff’s claim, “fail[ed] to report a claim to [Lloyds] that they were under an  
23 obligation to report,” and “misdirect[ed] [Plaintiff] regarding the status of their  
24 claim.” (*Id.* ¶¶ 65–73.) UYT allegedly negligently interfered with Plaintiff’s  
25 “economic relationship” with Lloyds because UYT “failed to act with reasonable  
26 care” “by failing to report a claim to [Lloyds] that they were under an obligation to  
27 report[.]” (*Id.* ¶¶ 74–82).

28



1           On March 26, 2019, H.W. Wood moved to dismiss Plaintiff’s intentional and  
2 negligent interference with economic advantage claims pursuant to Rule 12(b) on  
3 various grounds, including that: (1) this Court lacks jurisdiction because the Cargo  
4 Policy is subject to exclusive jurisdiction in the Courts of England and Wales  
5 pursuant to the Cargo Policy’s forum selection clause and because Plaintiff fails to  
6 adequately invoke federal maritime jurisdiction under 28 U.S.C. § 1333; (2) venue  
7 in the Southern District of California is improper under the federal venue statute, 28  
8 U.S.C. § 1391; and (3) Plaintiff fails to state claims against H.W. Wood because  
9 Plaintiff is not a party to the Cargo Policy. (ECF No. 11.) H.W. Wood filed a  
10 separate Rule 12(f) motion to strike Plaintiff’s requests for punitive damages. (ECF  
11 No. 12.)

12  
13           On the same day, Lloyds moved to dismiss Plaintiff’s breach of contract and  
14 breach of the duty of good faith and fair dealing claims against it. (ECF No. 13.)  
15 Lloyds argues that: (1) the Court lacks personal jurisdiction over Lloyds; (2)  
16 alternatively, the Cargo Policy’s forum selection clause means that venue is  
17 improper; (3) Plaintiff’s California tort claims must be dismissed because the only  
18 claims Plaintiff can raise are under the laws of England and Wales; and (4) this action  
19 must be dismissed under the doctrine of forum *non conveniens*, as modified in the  
20 context of a forum selection clause. (*Id.*)

21  
22           After the completion of briefing on Lloyds’ and H.W. Wood’s motions to  
23 dismiss, UYT answered the Complaint on April 5, 2019. (ECF No. 27.) UYT raised  
24 lack of personal jurisdiction and improper venue as “affirmative defenses.” (*Id.* at  
25 12.) UYT then moved to dismiss Plaintiff’s claims on June 17, 2019 for lack of  
26 personal jurisdiction over UYT under Rule 12(b)(2) and improper venue under Rule  
27 12(b)(3). (ECF No. 33). The Court turns to the merits of Defendants’ motions.  
28



## THE CARGO POLICY'S FORUM SELECTION CLAUSE

Although H.W. Wood and Lloyds raise multiple grounds for dismissal of Plaintiff's claims, the Court finds dispositive their arguments regarding the Cargo Policy's forum selection clause. Accordingly, the Court limits its analysis to the forum selection clause. The Court's analysis is further limited to these Defendants because UYT does not move to dismiss for forum *non conveniens* based on the forum selection clause.

### A. Legal Standard

"[T]he appropriate way to enforce a forum-selection clause pointing to a state or foreign forum is through the doctrine of forum *non conveniens*."<sup>2</sup> *Atl. Marine Constr. Co., v. U.S. Dist. W. Dist. Tex.*, 571 U.S. 49, 60 (2013); *see also Sun v. Advanced China Healthcare, Inc.*, 901 F.3d 1081, 1087 (9th Cir. 2018). "If dismissal under forum *non conveniens* is appropriate, the court need not address other grounds for dismissal." *Nibirutech Ltd. v. Jang*, 75 F. Supp. 3d 1076, 1079 (N.D. Cal. 2014). Once a district court determines that the appropriate forum is located in a foreign country, the court may dismiss the case. *Cheng v. Boeing Co.*, 708 F.2d 1406, 1409 (9th Cir. 1983).

Under a traditional forum *non conveniens* analysis, "[a] party moving to dismiss based on forum *non conveniens* bears the burden of showing (1) that there is an adequate alternative forum, and (2) that the balance of private and public interest factors favors dismissal." *Dole Food Co., Inc. v. Watts*, 303 F.3d 1104, 1118 (9th Cir. 2002) (citation omitted). The public interest factors include: "(1) the local

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<sup>2</sup> H.W. Wood contends that a motion based on a forum selection clause is governed by Rule 12(b)(1), (ECF No. 11 at 6), while Lloyds contends that it is governed by Rule 12(b)(6), (ECF No. 13-1 at 8). Regardless of the procedural vehicle, Lloyds correctly addresses the forum selection clause under the doctrine of forum *non conveniens*. As such, the Court finds that the appropriate framework has been identified.

1 interest in the lawsuit, (2) the court’s familiarity with the governing law, (3) the  
2 burden on local courts and juries, (4) congestion in the court, and (5) the costs of  
3 resolving a dispute unrelated to a particular forum.” *Boston Telecomms. Group, Inc.*  
4 *v. Wood*, 588 F.3d 1201, 1211 (9th Cir. 2009) (quoting *Tuazon v. R.J. Reynolds*  
5 *Tobacco Co.*, 433 F.3d 1163, 1181 (9th Cir. 2006)). The private interest factors are:  
6 “(1) the residence of the parties and the witnesses; (2) the forum’s convenience to  
7 the litigants; (3) access to physical evidence and other sources of proof; (4) whether  
8 unwilling witnesses can be compelled to testify; (5) the cost of bringing witnesses  
9 to trial; (6) the enforceability of the judgment; and (7) all other practical problems  
10 that make trial of a case easy, expeditious and inexpensive.” *Id.* at 1206–07.

11  
12 Ordinarily, when evaluating a motion to dismiss on grounds of forum *non*  
13 *conveniens*, “a plaintiff’s choice of forum will not be disturbed unless the private  
14 interest and the public interest factors strongly favor trial” in a foreign jurisdiction.  
15 *Lueck v. Sundstrand Corp.*, 236 F.3d 1137, 1145 (9th Cir. 2001). “The calculus  
16 changes . . . when the parties’ contract contains a valid forum-selection clause, which  
17 represents the parties’ agreement as to the most proper forum.” *Atl. Marine*, 571  
18 U.S. at 63. If the court finds that the forum selection clause is valid, the plaintiff  
19 then bears the burden to establish that the forum for which the parties bargained is  
20 unwarranted under the forum *non conveniens* framework. *Id.* A valid forum  
21 selection clause renders the private interest factors irrelevant, thereby leaving the  
22 court to consider only the public interest factors. *Id.* at 64. “The practical result is  
23 that forum-selection clauses will almost always control.” *Key Equip. Fin. v. Barrett*  
24 *Bus. Servs., Inc.*, No. 3:19-cv-05122-RBL, 2019 WL 2491893, at \*3 (W.D. Wash.  
25 June 14, 2019) (citations and internal quotations omitted).

26 //

27 //

28 //

1 **B. Application**

2 To determine whether the Cargo Policy’s forum selection clause requires  
3 dismissal of Plaintiff’s claims against Lloyds and H.W. Wood under the forum *non*  
4 *conveniens* framework, the Court considers: (1) whether Plaintiff’s claims fall within  
5 the clause’s scope, (2) whether the clause is valid and enforceable under federal law,  
6 and, assuming the answer to the first and second considerations is yes, (3) whether  
7 Plaintiff has met its burden to show that the public interest factors counsel against  
8 dismissal. *Primary Color Sys. Corp. v. Agfa Corp.*, No. SACV 17-00761-JVS  
9 (DFMx), 2017 WL 8220729, at \*3 (C.D. Cal. June 13, 2017).

10

11 **1. The Forum Selection Clause Encompasses Plaintiff’s Claims**  
12 **Against Lloyds and H.W. Wood**

13 The first issue the Court must address is whether Plaintiff’s claims fall within  
14 the forum selection clause’s scope. *Petersen v. Boeing Co.*, 715 F.3d 276, 280 (9th  
15 Cir. 2013). If Plaintiff’s claims are outside the clause’s scope, then the Court’s  
16 analysis ends and dismissal is not warranted. *See Yan Guo v. Kyani, Inc.*, 311 F.  
17 Supp. 3d 1130, 1141–43 (C.D. Cal. 2018).

18

19 The Cargo Policy’s forum selection clause provides in full that: “[t]his  
20 insurance is subject to the law and practice of England and Wales and *to the exclusive*  
21 *jurisdiction of the Courts of England and Wales.*” (Compl. Ex. C at 3 (emphasis  
22 added).) As part of a contract, the clause is interpreted according to standard contract  
23 interpretation principles. “[T]he common or normal meaning of language will be  
24 given to the words of a contract unless circumstances show that in a particular case  
25 a special meaning should be attached to it.” *Doe 1 v. AOL LLC*, 552 F.3d 1077,  
26 1081 (9th Cir. 2009) (quotations and citation omitted). The Cargo Policy plainly  
27 designates the Courts of England and Wales as the courts with exclusive jurisdiction  
28 over the Cargo Policy in mandatory language. *See N. Cal. Dist. Council of Laborers*

1 *v. Pittsburgh-Des Moines Steel Co.*, 69 F.3d 1034, 1037 (9th Cir. 1995) (recognizing  
2 that a mandatory forum selection clause designates a forum as the exclusive forum).

3  
4 As Lloyds argues, (ECF No. 13-1 at 8–9), Plaintiff’s two contract claims  
5 against Lloyds plainly fall within the scope of the Cargo Policy’s forum selection  
6 clause. Plaintiff claims that Lloyds breached its contractual duty to pay Plaintiff’s  
7 insurance claim under the Cargo Policy and also breached a duty of good faith and  
8 fair dealing Lloyds owed to Plaintiff under the Cargo Policy. (Compl. ¶¶ 36–52.)  
9 These claims are ones that paradigmatically fall within a contractual forum selection  
10 clause. *See, e.g., Morgan Tire of Sacramento, Inc. v. Goodyear Tire & Rubber Co.*,  
11 60 F. Supp. 3d 1109, 1119 (E.D. Cal. 2014).

12  
13 A forum selection clause may apply equally to tort claims, such as the two tort  
14 claims that Plaintiff raises against H.W. Wood. *See Manetti-Farrow, Inc. v. Gucci*  
15 *Am., Inc.*, 858 F.2d 509, 514 (9th Cir. 1988) (concluding that claims of tortious  
16 interference with prospective economic advantage relations were covered by a forum  
17 selection clause). “Whether a forum selection clause applies to tort claims depends  
18 on whether resolution of the claims relates to interpretation of the contract.” *Id.*

19  
20 H.W. Wood argues that resolution of Plaintiff’s tort claims against it will  
21 require interpretation of the Cargo Policy and, thus, the forum selection clause  
22 applies. (ECF No. 11 at 8–9.) The Court agrees. Plaintiff expressly premises each  
23 of these claims on the allegations that there was a valid contract between it and  
24 Lloyds that named Plaintiff as an assured, with which H.W. Wood interfered by  
25 allegedly misdirecting Plaintiffs about “the parties responsible for handling the  
26 claim.” (Compl. ¶¶ 54–56, 66.) In its negligent interference claim, Plaintiff further  
27 claims that H.W. Wood had “an obligation to report” Plaintiff’s insurance claim to  
28 Lloyds. (*Id.* ¶ 70.) As pleaded, Plaintiff’s tort claims against H.W. Wood flow from

1 the purported obligations amongst the parties under the Cargo Policy, thus bringing  
2 the claims within the clause's scope. *See Morgan Tire of Sacramento, Inc.*, 60 F.  
3 Supp. 3d at 1119. That Plaintiff has failed to argue that its tort claims against H.W.  
4 Wood fall outside the clause's scope—despite H.W. Wood expressly identifying this  
5 as a relevant issue to enforcement of the clause—underscores for the Court that  
6 Plaintiff concedes this issue. Accordingly, the Court finds that the forum selection  
7 clause applies to Plaintiff's claims against both Lloyds and H.W. Wood.

8  
9 **2. The Cargo Policy's Forum Selection Clause is Valid and**  
10 **Enforceable**

11 The Court's second inquiry is whether the forum selection clause is valid and  
12 enforceable. Federal law governs a forum selection clause's validity. *Simonoff v.*  
13 *Expedia, Inc.*, 643 F.3d 1202, 1205 (9th Cir. 2011); *Argueta v. Banco Mexicano,*  
14 *S.A.*, 87 F.3d 320, 324 (9th Cir. 1996). Forum selection clauses "are prima facie  
15 valid and should be enforced unless enforcement is shown by the resisting party to  
16 be unreasonable under the circumstances." *M/S Bremen v. Zapata Off-Shore Co.*,  
17 407 U.S. 1, 10 (1972) (internal quotations omitted); *Manetti-Farrow*, 858 F.2d at  
18 514. A forum selection clause may be unreasonable for one of three reasons: (a)  
19 "the inclusion of the clause in the agreement was the product of fraud or  
20 overreaching"; (b) "the party wishing to repudiate the clause would effectively be  
21 deprived of his day in court were the clause enforced"; or (c) "enforcement would  
22 contravene a strong public policy of the forum in which suit is brought." *Murphy v.*  
23 *Schneider Nat'l, Inc.*, 362 F.3d 1133, 1140 (9th Cir. 2004) (quoting *Richards v.*  
24 *Lloyd's of London*, 135 F.3d 1289, 1294 (9th Cir. 1998)). Because Plaintiff does not  
25 make any argument that enforcement of the forum selection clause would contravene  
26 a strong public policy, the Court limits its analysis to the first and second  
27 considerations and concludes that Plaintiff fails to make a showing on either ground.

28

1                   **a. Plaintiff Does Not Demonstrate that the Clause Is the**  
2                   **Product of Fraud or Overreaching**

3                   For a court to deny enforcement of a forum selection clause based on fraud or  
4 overreaching, a party must show that “the inclusion of that clause in the contract was  
5 the product of fraud or coercion.” *Richards*, 135 F.3d at 1297 (emphasis in original)  
6 (quoting *Scherk v. Alberto-Culver Co.*, 417 U.S. 506, 518 (1974)). A party must  
7 introduce “specific facts, contained in an admissible affidavit” that are “sufficient,  
8 if true, to demonstrate that the forum selection’s clause inclusion in the . . . agreement  
9 was obtained via fraud or overreaching.” *Petersen*, 715 F.3d at 283. The Court  
10 considers (i) whether Plaintiff had the opportunity to become meaningfully informed  
11 of the forum selection clause and (ii) whether Plaintiff may be bound by the Cargo  
12 Policy’s forum selection clause.

13  
14                   **i. Plaintiff Had the Opportunity to Become Meaningfully**  
15                   **Informed of the Forum Selection Clause**

16                   Plaintiff opposes dismissal of its claims against Lloyds and H.W. Woods by  
17 arguing that it is not a sophisticated business entity and therefore the clause should  
18 not be enforced against it. (ECF No. 19 at 20.) Chris Ashby, Plaintiff’s CEO and  
19 President, similarly contends that the transaction was not a business transaction  
20 because the Yacht is a “pleasure yacht” and “White Knight is not a commercial  
21 enterprise.” (Ashby Decl. ¶¶ 35–36.) The Court considers and rejects Plaintiff’s  
22 arguments.

23  
24                   A forum selection clause is not unenforceable merely because parties have  
25 unequal bargaining power so long as the clause was reasonably communicated to the  
26 party or the party could have learned of its existence. *Carnival Cruise Lines, Inc. v.*  
27 *Shute*, 499 U.S. 585, 595 (1991). The first issue a court should therefore consider is  
28 whether the clause was reasonably communicated to the plaintiff. *See Wallis v.*

1 *Princess Cruises, Inc.*, 306 F.3d 827, 835 (9th Cir. 2002). The court should take into  
2 account the clause’s physical characteristics and whether the plaintiff had the ability  
3 to become meaningfully informed of the clause and to reject its terms. *Id.* at 835–  
4 36. The conditions of a form contract may be enforceable even if not read or  
5 negotiated by the challenging party, so long as that party was afforded the  
6 opportunity to do so. *See Murphy*, 362 F.3d at 1140; *Deiro v. Am. Airlines, Inc.*, 816  
7 F.2d 1360 (9th Cir. 1987) (holding the passenger of a common carrier contractually  
8 bound by the fine-print liability limitations in the passenger ticket).

9  
10 Plaintiff does not challenge the presentation of the forum selection clause in  
11 the Cargo Policy. Instead, as the Court has noted, Plaintiff contends that it is not a  
12 sophisticated business entity. Plaintiff’s President and CEO attempts to disavow  
13 knowledge of the clause’s existence. Ashby acknowledges that he agreed to enter  
14 the Shipping Contract on behalf of White Knight and that he agreed to purchase the  
15 Cargo Policy with the “understanding that the Shipping Contract resulted in White  
16 Knight becoming an assured of [Lloyds]” due to representations from Raven’s Rick  
17 Gladych that a Cargo Policy with Lloyds could be purchased as part of the Shipping  
18 Contract. (Ashby Decl. ¶¶ 3–6.) Ashby contends, however, that he was never  
19 “advise[d] . . . that the contract of insurance would contain a foreign selection clause  
20 which would require me to pursue policy benefits in Great Britain.” (*Id.* ¶ 7.) Ashby  
21 otherwise contends that he was not aware of the particular process by which the  
22 insurance was obtained, nor the role of UYT and H.W. Wood. (*Id.* ¶¶ 15–16.) The  
23 Court is not persuaded that this record precludes enforcement of the Cargo Policy’s  
24 forum selection clause.

25  
26 For one, despite Plaintiff’s averments in this litigation of lack of  
27 sophistication, Plaintiff is a corporate entity that was established with its sole asset  
28 as the Yacht. (Ashby Decl. ¶ 37.) Second, the allegations and record do not show



1 that Plaintiff is inexperienced in insurance or insurance disputes. Plaintiff had  
2 already entered into a marine insurance transaction before the events leading to this  
3 case. In fact, through Ashby, Plaintiff secured marine insurance from non-party  
4 IMU for the Yacht prior to entering into the Shipping Contract. (Compl. Ex. A.)  
5 Further, the inclusion of a foreign selection clause in an insurance contract is not  
6 surprising. “Forum selection clauses are in rather widespread use throughout the  
7 insurance industry.” *Foster v. Chesapeake Ins. Co.*, 933 F.2d 1207, 1218 (3rd Cir.  
8 1991). Tellingly, Ashby does not himself take issue with the inclusion of a forum  
9 selection clause in the Cargo Policy, but rather with its designation of a foreign  
10 forum.

11  
12 The Complaint and Ashby’s declaration otherwise leave the Court with the  
13 impression that Plaintiff had the ability to learn of and understand the foreign forum  
14 selection clause in the Cargo Policy. For one, despite averring that no one advised  
15 him of the Cargo Policy’s foreign forum selection clause, Ashby expressly indicates  
16 that he expressly reviewed the terms of the Shipping Contract prior to entering into  
17 the contract. (Ashby Decl. ¶ 13.) The copy of the Shipping Contract expressly  
18 indicates that an insurance policy would be separately obtained. (Compl. Ex. B;  
19 ECF No. 19-1 Ex. 1.) It is undisputed that Ashby knew that this policy would be  
20 obtained from Lloyds—an entity whose full name expressly refers to London—and  
21 that the policy was itself a part of the overall Shipping Contract.

22  
23 Second, Ashby does not contend that he lacked the ability to obtain a copy of  
24 the Cargo Policy or that he never received a copy before paying for the Shipping  
25 Contract. Ashby authorized the wire transfer for the cost of the Shipping Contract,  
26 inclusive of the Cargo Policy’s cost, only after the Cargo Policy had issued.  
27 (*Compare* Compl. Ex. C, *with* ECF No. 19-2 Ex. 2.) The fact that Plaintiff included  
28 a copy of the Cargo Policy with the Complaint—and expressly sought coverage

1 under the Cargo Policy months before initiating this suit—suggests to the Court that  
2 Plaintiff either had a copy of the Cargo Policy at the time Ashby sent Plaintiff’s  
3 payment for the Shipping Contract or, at a minimum, had the ability to obtain one.  
4 Under these circumstances, the Court concludes that Plaintiff had the ability to learn  
5 of the forum selection clause. *See Deiro*, 816 F.2d at 1365; *see also Luedde v. Devon*  
6 *Robotics, LLC*, No. 10-cv-400W, 2010 WL 2712293, at \*7 (S.D. Cal. July 2, 2010)  
7 (rejecting as “unavailing” the plaintiff’s attempt “to paint herself as naïve” to find  
8 that plaintiff had adequate notice of the forum selection clause).

9  
10 **ii. The Clause Can Bind Plaintiff**

11 Plaintiff’s principal argument that the Cargo Policy’s forum selection clause  
12 cannot be enforced is that Plaintiff is not a party to the Cargo Policy. (ECF No. 19  
13 at 19–20.) Plaintiff argues that only parties to a contract are bound by its terms. *See*  
14 *E.E.O.C. v. Waffle House, Inc.*, 534 U.S. 279, 294 (2002). Plaintiff argues that it is  
15 not a party to the Cargo Policy and thus the Cargo Policy’s terms do not bind  
16 Plaintiff. (ECF No. 19 at 19–20.) The Court rejects Plaintiff’s argument.

17  
18 As an initial matter, Plaintiff’s opposition contradicts Plaintiff’s multiple  
19 allegations in the Complaint that Plaintiff and Lloyds “entered into a valid insurance  
20 agreement” to which Plaintiff was a party. (Compl. ¶¶ 38, 47, 54.) Plaintiff’s own  
21 pleadings therefore make Plaintiff’s newfound argument suspect.

22  
23 However, even if the Court accepts Plaintiff’s newfound contention that it is  
24 not a party to the Cargo Policy, the fact the Plaintiff is not a party to the policy does  
25 not preclude the enforcement of the clause against Plaintiff. A forum selection  
26 clause may be enforced against a non-party in at least two circumstances: (1) when  
27 the non-party is a third-party beneficiary of the contract with the clause, *Nguyen v.*  
28 *Barnes & Noble, Inc.*, 763 F.3d 1171, 1180 (9th Cir. 2014), and (2) when the non-

1 party and the conduct at issue are “closely related” to the parties to the contract with  
2 the forum selection clause, *Manetti-Farrow, Inc.*, 858 F.2d at 514 n.5. The Cargo  
3 Policy’s forum selection clause is enforceable against Plaintiff for both reasons.

4  
5 First, under the third-party beneficiary test, a non-signatory plaintiff who  
6 “knowingly exploits the benefits of [an] agreement and receives benefits flowing  
7 directly from the agreement” may be required to abide by the forum selection clause.  
8 *Nguyen*, 763 F.3d at 1880. Even if Plaintiff is not a party to the Cargo Policy,  
9 Plaintiff is undoubtedly a third-party beneficiary of the Cargo Policy. The Yacht is  
10 the Cargo Policy’s “interest” and provides that any claim amount shall be made  
11 payable to Plaintiff. (Compl. Ex. C. at 1.) Plaintiff has knowingly sought to exploit  
12 the Cargo Policy’s benefits, as evidenced by Plaintiff’s repeated attempts to tender  
13 a claim under the Policy before commencing this suit. (Compl. ¶¶ 16–35.) Indeed,  
14 in undertaking these attempts, Plaintiff’s counsel expressly observed that “the  
15 beneficiary [under the Cargo Policy] is White Knight Yacht, LLC.” (ECF No. 19-1  
16 Ex. 22 at ECF page 107 (May 10, 2018 letter from Douglas M. Field to Sarah  
17 Martin).)

18  
19 Second, under the close-relationship test, a non-party may be bound by the  
20 forum selection clause if the non-party is “closely related to the contractual  
21 relationship.” *Manetti-Farrow, Inc.*, 858 F.2d at 514 n.5. A non-party is closely  
22 related when it is “part of the larger contractual relationship” between the parties to  
23 the agreement with the forum selection clause. *See Holland Am. Line, Inc. v. N. Am.,*  
24 *Inc.*, 485 F.3d 450, 456 (9th Cir. 2007). Plaintiff is undoubtedly closely related to  
25 the contractual relationships to which the forum selection clause applies. Lloyds is  
26 the insurer of the Cargo Policy under which Lloyds “agree[s] losses, if any, shall be  
27 payable to the order of [Plaintiff].” (Compl. Ex. C. at 1.) The Cargo Policy was also  
28 effected by H.W. Wood “acting on behalf of [UYT].” (*Id.*) UYT’s vice president

1 signed the Cargo Policy. Critically, Plaintiff seeks to recover from all Defendants  
2 for Plaintiff's failure's obtain coverage under the Cargo Policy. Accordingly,  
3 Plaintiff can be bound by the forum selection clause on this basis as well even if  
4 Plaintiff is not a party to the Cargo Policy.

5

6 **b. Plaintiff Has Not Shown That It Will Be Deprived of Its Day**  
7 **in Court**

8 The second basis for which a court may refuse to enforce a forum selection  
9 clause is that the plaintiff "would effectively be deprived of his day in court were  
10 the clause enforced." *LaCross v. Knight Transp., Inc.*, 95 F. Supp. 3d 1199, 1203  
11 (C.D. Cal. 2015). "[I]t should be incumbent on the party seeking to escape his  
12 contract to show that trial in the contractual forum will be so gravely difficult and  
13 inconvenient that he will for all practical purposes be deprived of his day in court."  
14 *Bremen*, 407 U.S. at 18. A party may show that a forum selection clause should not  
15 be enforced if all the relevant witnesses are not located in that forum, the party is  
16 physically unable to go to the chosen forum, or the party lacks the financial ability  
17 to bear the costs of proceeding in the chosen forum. *See Spradlin v. Lear Siegler*  
18 *Mgmt. Servs. Co.*, 926 F.2d 865, 869 (9th Cir. 1991); *Goldman v. U.S. Transp. &*  
19 *Logistics, LLC*, No. 17-cv-00691-BAS-NLS, 2017 WL 6541250, at \*5 (S.D. Cal.  
20 Dec. 20, 2017).

21

22 Plaintiff does not provide sufficient allegations to prove that enforcement of  
23 the Cargo Policy's forum selection clause would deprive it of its day in court. Ashby  
24 contends that it "would be a huge financial burden on White Knight and myself" to  
25 pursue this lawsuit in Great Britain. (Ashby Decl. ¶ 36.) This contention, however,  
26 is made in a boilerplate fashion without any specific and concrete evidence that  
27 pursuing Plaintiff's claims in the Courts of England and Wales would be gravely  
28 difficult or inconvenient.

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In the absence of countervailing evidence from Plaintiff, the Court has no reason to stray from the conclusions of other courts regarding the adequacy of England and Wales. *See Bremen*, 470 U.S. at 1914 (“[T]he courts of England meet the standards of neutrality and long experience in admiralty litigation.”); *see also Comm Network Servs. Corp. v. Colt Telecomm.*, No. C 04–1283 MEJ, 2004 WL 1960174, at \*9 (N.D. Cal. Sept. 3, 2004) (“[T]he Court finds that Plaintiff was not denied a meaningful day in court in England . . . .”). Accordingly, the Court concludes that Plaintiff has not shown that this consideration weighs against enforcement of the clause.

**3. Plaintiff Has Not Shown that the Public Interest Factors Strongly Disfavor Enforcement of the Clause**

Having found that the Cargo Policy’s forum selection clause is valid and enforceable, the Court now considers whether Plaintiff has shown that the public interest factors overwhelmingly disfavor enforcement of the clause. As the Court has recognized, “a valid forum-selection clause [should be] given controlling weight in all but the most exceptional cases.” *Atl. Marine*, 571 U.S. at 60. The relevant public interest factors are:

the administrative difficulties flowing from court congestion; the local interest in having localized controversies decided at home; the interest in having the trial of a diversity case in a forum that is at home with the law that must govern the action; the avoidance of unnecessary problems in conflict of laws, or in the application of foreign law; and the unfairness of burdening citizens in an unrelated forum with jury duty.

*Piper Aircraft Co. v. Reyno*, 454 U.S. 235, 241 n.6 (1981) (citations and internal quotations omitted).

1 Here, although it is Plaintiff's burden to show that the public interest factors  
2 strongly disfavor dismissal of this action from the present forum, Plaintiff fails to  
3 make any showing on the public interest factors. Plaintiff's failure to do so is a  
4 sufficient basis for the Court to grant Lloyds' and H.W. Wood's motions to dismiss  
5 at this juncture.

6  
7 Nevertheless, Lloyds provides a thorough analysis regarding the public  
8 interest factors, which confirms for the Court that the public interest factors favor  
9 dismissal. The Court highlights here only some of the reasons Lloyds identifies.  
10 First, with respect to the factors concerning the applicable law, the clause points to  
11 a forum that is more familiar with the law that will govern the insurance. In the same  
12 stroke, the forum selection clause includes a choice-of-law provision, which  
13 provides that the law of England and Wales governs the Cargo Policy. The English  
14 courts are more adept at interpreting and applying English law. Therefore, the need  
15 to apply English law favors dismissal.

16  
17 Second, the allegations do not show a strong local interest in the insurance  
18 dispute and, instead, show that a trial in this Court would burden a jury and the  
19 California taxpayers. Although Plaintiff's principal resides in California, none of  
20 the Defendants resides in California and Plaintiff itself is a Delaware limited liability  
21 company. Accordingly, in the absence of any showing by Plaintiff, the Court  
22 concludes that the controlling weight should be given to the Cargo Policy's forum  
23 selection clause.

24  
25 \* \* \*

26 Having considered the Cargo Policy's forum selection clause, the Court  
27 concludes that: (1) the clause encompasses Plaintiff's claims against Lloyds and  
28 H.W. Wood, (2) the clause is valid and enforceable, and (3) Plaintiff has not shown

1 that the public interest factors strongly disfavor enforcement of the clause for  
2 Plaintiff's claims against Lloyds and H.W. Woods. Accordingly, the Court grants  
3 Lloyds' and H.W. Wood's motions to dismiss on the basis of the Cargo Policy's  
4 forum selection clause. Dismissal for forum *non conveniens* based on a forum  
5 selection clause should be without prejudice. *Goldman*, 2017 WL 6541250, at \*9–  
6 10. As such, the Court dismisses Plaintiff's claims against Lloyds and H.W. Wood  
7 without prejudice.

### 8 9 **PERSONAL JURISDICTION**

10 UYT moves to dismiss Plaintiff's claims for lack of personal jurisdiction and  
11 improper venue. (ECF No. 33.) The Court finds dispositive UYT's lack of personal  
12 jurisdiction argument and limits its analysis to this issue.

#### 13 14 **A. Legal Standard**

15 As a procedural matter, a party may generally move to dismiss for lack of  
16 personal jurisdiction under Rule 12(b)(2). *See* Fed. R. Civ. P. 12(b)(2). Here,  
17 because UYT moves to dismiss after filing an answer to the Complaint in which it  
18 asserts lack of personal jurisdiction as a defense, the Court construes UYT's motion  
19 as a Rule 12(c) motion for judgment on the pleadings. Under Rule 12(c), a party  
20 may move for judgment on the pleadings “[a]fter the pleadings are closed but within  
21 such time as not to delay the trial.” Fed. R. Civ. P. 12(c). Judgment on the pleadings  
22 is proper only when there is no unresolved issue of fact and no question remains that  
23 the moving party is entitled to a judgment as a matter of law. *Hal Roach Studios,*  
24 *Inc. v. Richard Feiner & Co.*, 896 F.2d 1542, 1550 (9th Cir. 1989); *Honey v.*  
25 *Distelrath*, 195 F.3d 531, 532–33 (9th Cir. 1999).

26  
27 “When a defendant moves to dismiss for lack of personal jurisdiction, the  
28 plaintiff bears the burden of demonstrating that the court has jurisdiction over the



1 defendant.” *Pebble Beach Co. v. Caddy*, 453 F.3d 1151, 1154 (9th Cir. 2006). If  
2 the motion is based on written materials rather than an evidentiary hearing, the  
3 plaintiff must only make a “prima facie showing of jurisdictional facts.” *Bauman v.*  
4 *DaimlerChrysler*, 579 F.3d 1088, 1094 (9th Cir. 2009), *vacated on other grounds*,  
5 603 F.3d 1141 (9th Cir. 2010) (quotations and citations omitted). A *prima facie*  
6 showing “must be based on affirmative proof beyond the pleadings, such as  
7 affidavits, testimony or other competent evidence of specific facts.” *Excel Plas, Inc.*  
8 *v. Sigmax Co., Ltd.*, No. 07-CV-578-IEG, 2007 WL 2853932, at \*2 (S.D. Cal. Sept.  
9 27, 2007) (citation omitted). “Although the plaintiff cannot simply rest on the bare  
10 allegations of its complaint, uncontroverted allegations in the complaint must be  
11 taken as true.” *Schwarzenegger v. Fred Martin Motor Co.*, 374 F.3d 797, 800 (9th  
12 Cir. 2004) (quotations and citations omitted). “Conflicts between parties over  
13 statements contained in affidavits must be resolved in the plaintiff’s favor.” *Id.*

14  
15 To substantively resolve a personal jurisdictional challenge, a federal district  
16 court applies the law of the state where the court sits when no applicable federal  
17 statute authorizes personal jurisdiction. *Panavision Int’l, L.P. v. Toepfen*, 141 F.3d  
18 1316, 1320 (9th Cir. 1998). Neither side contends that a federal statute authorizes  
19 personal jurisdiction here. California’s long-arm statute, however, extends  
20 jurisdiction to the limits of federal due process and thus federal due process  
21 inevitably governs the parties’ jurisdictional dispute. *See Pebble Beach*, 453 F.3d at  
22 1155. Federal due process requires that a nonresident defendant have sufficient  
23 “‘minimum contacts’ with the forum such that the assertion of jurisdiction ‘does not  
24 offend traditional notions of fair play and substantial justice.’” *Id.* (quoting *Int’l*  
25 *Shoe Co. v. Washington*, 326 U.S. 310, 315 (1945)). The nature of the contacts  
26 required for the constitutional exercise of personal jurisdiction turns on whether the  
27 claimed basis for jurisdiction is general or specific. *Ranza v. Nike, Inc.*, 793 F.3d  
28

1 1059, 1068 (9th Cir. 2015). UYT contends that neither basis for jurisdiction exists  
2 in this case. The Court agrees.

3  
4 **B. Plaintiff Concedes the Absence of General Jurisdiction Over UYT**

5 UYT contends that this Court lacks general jurisdiction. (ECF No. 33 at 4-7.)  
6 General jurisdiction allows a court to hear any and all claims against a defendant  
7 regardless of whether the claims relate to the defendant's contacts with the forum  
8 state. *Schwarzenegger*, 374 F.3d at 802. The "paradigm forum for the exercise of  
9 general jurisdiction" is "one in which the corporation is fairly regarded as at home."  
10 *Goodyear Dunlop Tires Operations, S.A. v. Brown*, 564 U.S. 915, 924, (2011).  
11 These "are a corporation's place of incorporation and principal place of business."  
12 *Daimler AG v. Bauman*, 571 U.S. 117, 118 (2014). Plaintiff alleges that UYT is not  
13 incorporated in, nor does it maintain a principal place of business in California.  
14 (Compl. ¶ 4.) Plaintiff does not oppose UYT's motion to dismiss on this ground.  
15 (ECF No. 34.) Accordingly, the Court concludes that it lacks general jurisdiction  
16 over UYT.

17  
18 **C. Plaintiff Fails to Make a *Prima Facie* Showing of Specific Jurisdiction**

19 Both parties dispute whether this Court may exercise specific jurisdiction over  
20 UYT. (ECF No. 33 at 5; ECF No. 34 at 6.) A court may exercise specific jurisdiction  
21 when the following requirements are met: (1) "[t]he non-resident defendant must  
22 purposefully direct his activities or consummate some transaction with the forum or  
23 resident thereof; or perform some act by which he purposefully avails himself of the  
24 privilege of conducting activities in the forum, thereby invoking the benefits and  
25 protections of its laws," (2) "the claim must be one which arises out of or relates to  
26 the defendant's forum-related activities," and (3) "the exercise of jurisdiction must  
27 comport with fair play and substantial justice, i.e. it must be reasonable."  
28 *Schwarzenegger*, 374 F.3d at 802. "The plaintiff bears the burden of satisfying the

1 first two prongs of the test.” *Id.* “If the plaintiff fails to satisfy either of these prongs,  
2 personal jurisdiction is not established in the forum state.” *Id.* “If the plaintiff  
3 succeeds in satisfying both of the first two prongs, the burden then shifts to the  
4 defendant to ‘present a compelling case’ that the exercise of jurisdiction would not  
5 be reasonable.” *Id.* “If any of the three requirements is not satisfied, jurisdiction in  
6 the forum would deprive the defendant of due process of law.” *Pebble Beach Co.*,  
7 453 F.3d at 1155.

8  
9 **1. Plaintiff Has Not Shown that UYT Purposefully Directed Its**  
10 **Conduct at California**

11 UYT contends that it neither purposefully availed itself nor purposefully  
12 directed any tortious conduct at California. (ECF No. 33 at 5–7.) Plaintiff objects,  
13 but points to its own conduct and the conduct of third parties to argue that UYT  
14 purposefully availed and directed its conduct at California. (ECF No. 34 at 6–8.)

15  
16 “A purposeful availment analysis is most often used in suits sounding in  
17 contracts.” *Schwarzenegger*, 374 F.3d at 802. “A purposeful direction analysis, on  
18 the other hand, is most often used in suits sounding in tort.” *Id.* at 802. The latter  
19 test applies here given the nature of Plaintiff’s claims against UYT. “Purposeful  
20 direction” requires a defendant to have “(1) committed an intentional act,” (2)  
21 “expressly aimed at the forum state,” (3) “causing harm that the defendant knows is  
22 likely to be suffered in the forum state.” *Id.* The requirement “assures that a  
23 defendant will not be haled into a jurisdiction solely as a result of random, fortuitous,  
24 or attenuated contacts, or of the unilateral activity of another party or a third person.”  
25 *Burger King Corp. v. Rudzewicz*, 471 U.S. 462, 475 (1985) (internal quotations and  
26 citations omitted).

1           Although Plaintiff is a California-based entity that owns the Yacht, this is  
2 insufficient to show that UYT purposefully directed its conduct at California. The  
3 Court comes to this conclusion for two reasons. First, the nature of the underlying  
4 contractual relationships amongst the parties does not show that UYT purposefully  
5 directed its conduct at California. The underlying Shipping Contract was between  
6 Plaintiff and Raven, a Seattle-based entity, for shipment of the Yacht from Canada  
7 to Mexico. (Compl. Ex. B.) Raven separately contracted with UYT to perform the  
8 actual transport of the Yacht from Canada to Mexico. (Compl. ¶ 14.) These  
9 allegations simply do not show that UYT purposefully directed its conduct at  
10 California.

11  
12           Second, Plaintiffs' allegations regarding its attempts to seek coverage under  
13 the Cargo Policy similarly do not show that UYT purposefully directed its conduct  
14 at California. At most, Plaintiff points to its own conduct or the alleged conduct of  
15 third parties—not based in California—that allegedly attempted to contact UYT—  
16 at UYT's place of business outside California—regarding Plaintiff's assertion of a  
17 claim under the Cargo Policy administered by a London-based insurer. The  
18 unilateral conduct of Plaintiff and the third parties, however, cannot show that UYT  
19 purposefully directed any conduct at California. *See Burger King Corp.*, 471 U.S.  
20 at 475. Accordingly, the Court concludes that Plaintiff has not sufficiently alleged  
21 that UYT purposefully directed its conduct to California such that this Court may  
22 exercise specific jurisdiction over it. Because Plaintiff fails to identify any conduct  
23 by UYT purposefully directed at California, there are no relevant contacts with  
24 California for the Court to assess whether Plaintiff's claims arise from those  
25 contacts.

26 //

27 //

28 //

1           **2. The Exercise of Jurisdiction Would Not Comport with Due Process**

2           Even if the Court assumes that Plaintiff has satisfied the first two prongs of  
3 the specific jurisdiction test, UYT has shown that the exercise of jurisdiction would  
4 not comport with due process. (ECF No. 35 at 6–7.)

5  
6           Several non-dispositive factors guide a court’s analysis of this issue: (1) the  
7 extent of a defendant’s purposeful interjection; (2) the burden on the defendant in  
8 defending in the forum; (3) the extent of conflict with the sovereignty of the  
9 defendant’s state; (4) the forum state’s interest in adjudicating the dispute; (5) the  
10 most efficient judicial resolution of the controversy; (6) the importance of the forum  
11 to the plaintiff’s interest in convenient and effective relief; and (7) the existence of  
12 an alternative forum. *Burger King Corp.*, 471 U.S. at 476–77. The existence of an  
13 alternative forum becomes an issue “only when the forum state is shown to be  
14 unreasonable.” *Sinatra v. Nat’l Enquirer, Inc.*, 854 F.2d 1191, 1201 (9th Cir. 1988).  
15 Application of these factors shows that the exercise of specific jurisdiction over UYT  
16 would not comport with due process, particularly given the Cargo Policy’s forum  
17 selection clause.

18  
19           First, UYT’s lack of purposeful interjection into California renders the  
20 exercise of specific jurisdiction unreasonable. The defendant’s purposeful  
21 interjection factor parallels the minimum contacts question. *Dole Food Co. v. Watts*,  
22 303 F.3d 1104, 1115 (9th Cir. 2002). “Actions directed at a forum resident expected  
23 to cause harm in the forum constitute purposeful injection.” *CollegeSource, Inc. v.*  
24 *AcademyOne, Inc.*, 653 F.3d 1066, 1080 (9th Cir. 2011). “Even if there is sufficient  
25 interjection into the state to satisfy the purposeful availment prong, the degree of  
26 interjection is a factor to be weighed in assessing the overall reasonableness of  
27 jurisdiction under the reasonableness prong.” *Panavision Int’l, L.P. v. Toeppen*, 141  
28 F.3d 1316, 1323 (9th Cir. 1998) (internal quotations omitted). Plaintiff has pointed

1 only to its unilateral conduct from California and the conduct of third parties that do  
2 not reside in California. UYT's alleged failures to respond to these requests do not  
3 constitute a degree of purposeful interjection that would render the exercise of  
4 jurisdiction over UYT reasonable. This factor weighs most heavily in the Court's  
5 conclusion that the exercise of specific jurisdiction over UYT by a California forum  
6 would not comport with due process.

7  
8 Finally, the fifth through seventh factors weigh against the exercise of specific  
9 jurisdiction because of the Cargo Policy's forum selection clause. The Court has  
10 already dismissed Plaintiff's claims against Lloyds and H.W. Wood based on the  
11 forum selection clause. Given that Plaintiff's claims against UYT concern the same  
12 insurance policy, it would be inefficient to provide a resolution to Plaintiff's claims  
13 against UYT in this Court. Moreover, this Court is not the only jurisdiction where  
14 Plaintiff can receive convenient and effective relief. As the Court has already  
15 recognized, the Courts of England and Wales have a reputation for justice in  
16 admiralty cases. Accordingly, the Court grants UYT's motion to dismiss for lack of  
17 personal jurisdiction over UYT.

## 18 19 **CONCLUSION & ORDER**

20 For the foregoing reasons, the Court **ORDERS** as follows:

21 1. The Court **GRANTS** Lloyds' and H.W. Wood's motions to dismiss  
22 Plaintiff's claims based on the Cargo Policy's forum selection clause. (ECF Nos.  
23 11, 13.) The Court **DISMISSES** Plaintiff's claims against Lloyds and H.W. Woods  
24 **WITHOUT PREJUDICE** to Plaintiff refile the claims in the proper jurisdiction.

25 2. The Court **TERMINATES** as moot H.W. Wood's motion to strike.  
26 (ECF No. 12.)

27 3. The Court **GRANTS** UYT's motion to dismiss Plaintiff's claims  
28 against UYT for lack of personal jurisdiction. (ECF No. 33.) The Court

1 **DISMISSES** Plaintiff's claims against UYT **WITHOUT PREJUDICE**.

2 4. Because the Court has dismissed all of Plaintiff's claims, the Court  
3 **DISMISSES WITHOUT PREJUDICE** this action.

4 **IT IS SO ORDERED.**

5  
6 **DATED: September 10, 2019**

  
7 **Hon. Cynthia Bashant**  
8 **United States District Judge**

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