

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

ALICIA MARSHALL, DANIEL
PRONSKY, PARIS TOWNSEND,
NANCILEE HOLLAND, LEONA
OWSLEY, KOLAWOLE AHMADOU,
KIANA DERVIN, KRISTINA
HENDERSON, DUSTIN INNIS, KELLY
STALNAKER and JAMIE JONES,
individually and on behalf of all others
similarly situated,

Plaintiffs,

v.

PRESTAMOS CDFI, LLC and
CHICANOS POR LA CAUSA, INC.,

Defendants.

Case No. 5:21-cv-04337-JMG

ORDER

AND NOW, this 5th day of December, 2023, upon consideration of Defendant Chicanos Por La Causa's ("CPLC") Motion to Dismiss for Lack of Jurisdiction (ECF No. 84), Defendant CPLC's Motion to Dismiss for Lack of Jurisdiction (under seal) (ECF No. 85), Plaintiff's Response (ECF No. 86), Plaintiff's Response (under seal) (ECF No. 87), Defendant CPLC's Reply (ECF No. 89), and Defendant CPLC's Reply (under seal) (ECF No. 90), **IT IS HEREBY ORDERED** that the Motion (ECF No.s 84, 85) is **GRANTED**.¹

¹ Plaintiffs' argue that the Court has personal jurisdiction over CPLC because it is the alter ego of Defendant Prestamos, *see* 2d Am. Compl. at ¶ 35; Defendant CPLC disagrees and moves this Court to dismiss it from the case. This is the third time that CPLC's motion has been before the Court. The Court dismissed CPLC's first motion as moot after Plaintiffs filed their Second Amended Complaint. *See* ECF No. 44. The Court denied without prejudice Defendant CPLC's second attempt but directed the parties to conduct limited discovery on the subject. *See* ECF No. 57. For the reasons stated below, the Court now grants Defendant CPLC's latest motion to dismiss for lack of personal jurisdiction.

Under Fed. R. Civ. P. 12(b)(2), in response to a complaint, a defendant may assert as a defense that the court lacks personal jurisdiction over it. When a defendant raises this defense, “the burden falls upon the plaintiff to come forward with sufficient facts to establish that jurisdiction is proper.” *Mellon Bank (E.) PSFS, Nat’l Ass’n v. Farino*, 960 F.2d 1217, 1223 (3d Cir. 1992) (citing *Carteret Sav. Bank v. Shushan*, 954 F.2d 141, 146 (3d Cir. 1992)). However, when reviewing such a motion, the court “must accept all of the plaintiff’s allegations as true and construe disputed facts in favor of the plaintiff.” *Carteret Sav. Bank*, 954 F.2d at 142 n.1. “Personal jurisdiction [] is ‘an essential element of the jurisdiction of a district ... court,’ without which the court is ‘powerless to proceed to an adjudication.’” *Ruhrgas AG v. Marathon Oil Co.*, 526 U.S. 574, 584 (1999) (quoting *Emp’rs Reinsurance Corp. v. Bryant*, 299 U.S. 374, 382 (1937)).

Courts in this District consider a ten-factor test when deciding whether one entity is the alter ego of another for purposes of personal jurisdiction. *See Britax Child Safety, Inc. v. Nuna Int’l B.V.*, 321 F. Supp. 3d 546, 555 (E.D. Pa. 2018). Ultimately, “the alter-ego test looks to whether the degree of control exercised by the parent is greater than normally associated with common ownership and directorship and whether the parent controls the day-to-day operations of the subsidiary such that the subsidiary can be said to be a mere department of the parent.” *In re Enter. Rent-A-Car Wage & Hour Empl. Practices Litig.*, 735 F. Supp. 2d 277, 319 (W.D. Pa. 2010) (internal quotation marks omitted; citation omitted). “[T]he court may consider all relevant evidence to determine whether the parent exercises actual control over a subsidiary beyond that which is characteristic of a usual parent-subsidary relationship.” *In re Chocolate Confectionary Antitrust Litig.*, 602 F. Supp. 2d 538, 570 (M.D. Pa. 2009).

The briefing focuses on four categories of facts: (1) financial statements that referred to Prestamos/CPLC collectively as “CPLC;” (2) the entities’ common use of the “CPLC Prestamos” logo; (3) CPLC executives sit on the board of Prestamos; and (4) Prestamos paid dividends to CPLC.

However, the parties’ briefing differs in one key respect: even though the burden of persuasion lies with Plaintiffs, only Defendants cited legal authority supporting their position. The Court relies on litigants to address substantive matters in a meaningful manner. “Fully developed legal argument, citation to legal authority, and discussion of the relevant facts aid this Court in performing its duty[;] . . . [a]ny brief in opposition or any other memorandum of law that is lacking even a modicum of these elements is woefully insufficient and inexcusable.” *Copenhaver v. Borough of Bernville*, 2003 WL 26616224 *2 n.1 (E.D. Pa. Jan. 9, 2003).

The Court finds Defendant CPLC’s argument convincing in its own right, and does not rule in its favor merely as a result of Plaintiffs’ wanting Response. For each of the categories identified during limited discovery, Defendants provided the Court with persuasive authority holding the absence of an alter ego despite the presence of similar facts. There is no legal authority before the Court establishing that any one of these facts, or any combination of these facts, is incompatible with the Court’s ruling. The party presentation principle instructs courts to assess the arguments before them, and the Court so holds. *See Greenlaw v. United States*, 554 U.S. 237, 243–44 (2008) (discussing the party presentation principle and remarking that “our adversary system is designed around the premise that the parties know what is best for them, and are responsible for advancing the facts and arguments entitling them to relief . . . Courts do not, or should not, sally forth each

IT IS FURTHER ORDERED that the Clerk of Court is **DIRECTED** to **TERMINATE** the case as it pertains to **Defendant CPLC**.

BY THE COURT:

/s/ John M. Gallagher
JOHN M. GALLAGHER
United States District Court Judge

day looking for wrongs to right.” (quoting *United States v. Samuels*, 808 F.2d 1298, 1301 (8th Cir. 1987) (Arnold, J., concurring in denial of reh’g en banc)).