

## **SUMMARY STATEMENT**

*Porter v. Remmich*

Docket No. 49967

This case concerns the dismissal of a lawsuit pursuant to Idaho Rule of Civil Procedure 12(b)(8) because another action between the same parties for the “same cause” was pending in California. Both the California and Idaho actions centered around disputes involving the management of McMillan Storage, an Idaho Limited Liability Company (“the LLC”), and the conduct of its members towards the LLC. Remmich, the LLC’s manager, first filed a complaint against Porter, a minority member of the LLC, in California. Approximately one year later, Porter filed a complaint against Remmich in Idaho with three causes of action relating to Remmich’s alleged mismanagement of the LLC. Porter filed a motion to dismiss the California action on *forum non conveniens* grounds. Similarly, Remmich filed a motion to dismiss the Idaho action pursuant to Idaho Rule of Civil Procedure 12(b)(8), which authorizes dismissal when “another action is pending between the same parties and for the same cause.” Remmich then asserted counterclaims in the Idaho action that were the same as the causes of action he had filed in California.

The California court denied Porter’s motion to dismiss on grounds of *forum non conveniens*. Recognizing that the California court was retaining jurisdiction, the district court dismissed the Idaho action without prejudice under Rule 12(b)(8). The district court concluded that both actions involved the same parties and the same cause, and the California court should adjudicate all of the parties’ claims relating to the LLC because concurrent litigation would raise costs, result in duplicative efforts, waste judicial resources, and potentially result in inconsistent judgments.

Porter timely appealed, seeking reinstatement of his claims only and asserting that Remmich’s counterclaims are properly litigated in California. On appeal, Porter argued that the district court abused its discretion by dismissing his claims in the Idaho action. Specifically, Porter argued the district court did not apply the proper legal standard to a Rule 12(b)(8) dismissal because it failed to (1) identify the real parties in interest in each case; (2) identify the degree to which the claims in the California and Idaho actions were similar; and (3) evaluate the possibility that California lacked subject matter jurisdiction over his claim for judicial dissolution of an Idaho LLC; and also because it based its decision to dismiss on the optional considerations of judicial economy, minimizing costs and delay to litigants, and avoiding inconsistent judgments. Remmich filed a conditional cross-appeal, seeking reinstatement of his counterclaims only in the event that the Idaho Supreme Court remanded the case back to the district court for reinstatement of some or all of Porter’s claims in the Idaho action.

The Idaho Supreme Court affirmed the district court’s decision to dismiss the Idaho action without prejudice under Idaho Rule of Civil Procedure 12(b)(8). The Court held that the district court did not err in (1) concluding that the parties in the Idaho and California actions were the same; (2) concluding that the claims in the Idaho and California actions were for the same cause; and (3) basing its decision to dismiss the Idaho action on concerns related to judicial economy, minimizing costs and delay to litigants, and avoiding inconsistent judgments. The Court also concluded that concerns regarding California’s subject matter jurisdiction over any claims, including a claim for judicial dissolution of an Idaho LLC, should be raised in and addressed by a California court. Accordingly, the Court held that the district court did not abuse its discretion in failing to adjudicate that issue. Because the Court affirmed the district court’s dismissal of the

Idaho action in its entirety, the Court declined to consider Remmich's cross-appeal.

***\*\*\*This summary constitutes no part of the opinion of the Court, but has been prepared by court staff for the convenience of the public.\*\*\****