UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK	USDC SDNY DOCUMENT ELECTRONICALLY FILED DOC #:
ALLSTATE INSURANCE COMPANY, et al.,	DATE FILED: (/ 14/14
Plaintiffs,	: <u>ORDER GRANTING</u> : <u>MOTION TO TRANSFER</u> : CASE TO THE UNITED
-against-	: <u>STATES DISTRICT COURT</u> : FOR THE CENTRAL
COUNTRYWIDE FINANCIAL CORP., et al.,	DISTRICT OF CALIFORNIA
Defendants.	10 Civ. 9591 (AKH)
ALVIN K. HELLERSTEIN, U.S.D.J.:	x

Defendant Countrywide Financial Corporation moves under 28 U.S.C. § 1404(a) to have this action transferred to the United States District Court for the Central District of California, Western Division, where litigation between the same parties, considering the same issues arising from the same set of operative facts, is now pending. The motion is granted and the case transferred.¹

In this lawsuit, Allstate has sued Countrywide Financial Corporation, several associated entities, and several former high-ranking employees. Allstate generally alleges fraud based on misrepresentations made in offering statements for securities issued by Countrywide, which were backed by mortgages issued by Countrywide.

Litigation over the same issues, between the same parties, has been proceeding since January 2010 in the United States District Court for the Central District of California, before the Honorable Mariana R. Pfaelzer. That suit, <u>Maine State Retirement System v.</u> <u>Countrywide Financial Corp.</u>, No. 10 Civ. 302 (C.D. Cal. 2010), is a class action that began in November 2007 in California Superior Court, but was refiled in federal court after being

¹ Defendants have also filed numerous motions to dismiss under Federal Rule of Civil Procedure 12(b)(6). I do not decide any of these motions, but dismiss them without prejudice to refiling in the Central District of California.

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dismissed on jurisdictional grounds. In November 2010, Judge Pfaelzer issued a decision that narrowed the class in a way that excluded some of the securities upon which Allstate was basing its various claims. <u>See Maine State Ret. Sys. v. Countrywide Fin. Corp.</u>, 722 F. Supp. 2d 1157, 1163-65 (C.D. Cal. 2010). Allstate thus filed a new lawsuit to protect these excluded claims, and did so in this Court in December 2010. Defendants now seek to transfer the matter to Judge Pfaelzer's court.

The transfer statute, 28 U.S.C. § 1404(a), provides, "[f]or the convenience of the parties and witnesses, in the interest of justice, a district court may transfer any civil action to any other district or division where it might have been brought." When considering a motion to transfer, the Court considers (1) the Plaintiff's choice of forum, (2) convenience for the witnesses, (3) location of the relevant documents, (4) convenience of the parties, (5) the locus of operative facts, (6) the availability of process to compel the attendance of unwilling witnesses, and (7) the means of the parties. D.H. Blair & Co., Inc. v. Gottdiener, 462 F.3d 95, 106-07 (2d Cir. 2006). Though the plaintiff's choice of forum is entitled to "great weight," the Court retains broad discretion to transfer a case, and does so on a case-by-case basis in view of overall convenience and fairness. Id. Further, the Court is mindful of "a strong policy favoring the litigation of related claims in the same tribunal in order that pretrial discovery can be conducted more efficiently, duplicitous litigation can be avoided, thereby saving time and expense both parties and witnesses, and inconsistent results can be avoided." Goggins v. Alliance Capital Mgmt., L.P., 279 F. Supp. 2d 228, 234 (S.D.N.Y. 2003) (quoting Wyndham Assocs, V. Bintliff, 398 F.2d 614, 618 (2d Cir. 1968)).

These considerations compel a transfer. This matter is closely related to the <u>Maine State</u> action; it has been filed in the aftermath of Judge Pfaelzer's ruling limiting the scope

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of Allstate's claims, and gives the appearance of judge-shopping. The <u>Maine State</u> case has been litigated for several years now in California, the location of extensive pretrial practice and so of much, if not all, of the evidence. Since January 2010, the matter has been before Judge Pfaelzer, an experienced and able judge who has gained familiarity with the complex facts and issues that the cases raise, and who has issued a series of decisions dealing with important threshold issues. <u>E.g., Maine State Ret. Sys. v. Countrywide Fin Corp.</u>, 10 Civ. 302, 2011 WL 1765509 (C.D. Cal. April 20, 2011); <u>Maine State Ret. Sys. v. Countrywide Fin Corp.</u>, 722 F. Supp. 2d 1157 (C.D. Cal. 2010). Coordinating this action with <u>Maine State</u> will promote the efficient use of judicial resources, and will prevent the possibility of inconsistent results that could arise from pursuing the very same litigation before different courts and different judges. And, though Allstate's choice of forum is entitled to consideration, there is no sensible basis to separate this proceeding away from the court that is adjudicating <u>Maine State</u>. In any event, Allstate has not provided one.

The motion to transfer this case to the United States District Court for the Central District of California, Western Division, therefore is granted. The Clerk of Court in the Central District of California should consider referring the case to Judge Pfaelzer, for her decision whether or not to accept the case as related.

The Clerk of this Court shall transfer the file of this case to the United States District Court for the Central District of California, Western Division; terminate all pending motions in this case; and mark the case closed.

Dated:

SO ORDERED. June //, 2011 New York, New York

ALVIN K. HELLERSTEIN United States District Judge