Pedro P. TENORIO vs. Carlos S. CAMACHO, et al.

Civil Action Nos. 85-488 and 85-507 Commonwealth Trial Court

Decided December 10, 1987

1. Civil Procedure - Motions -Hearing

Where parties have submitted memoranda advising the court of the authorities supporting their position on motion, and the facts and the law are sufficiently clear, no hearing is needed on motion.

2. Civil Procedure - Final

Judgments - Interlocutory Appeal Certification of an issue for immediate appeal under rule is appropriate only upon an express determination that there is no just reason for delay and such a certificate is not to be granted routinely, but is left to the discretion of the court in the interest of sound judicial administration. Com.R.Civ.P. 54(b).

3. Civil Procedure - Final Judgments - Interlocutory Appeal

Only if the moving party presents specific equitable considerations which outweigh the preference for avoiding piecemeal appeals and ensuring prompt resolution of remaining issues should certificate granting immediate appeal be issued. Com.R.Civ.P. 54(b).

4. Civil Procedure - Final

Judgments - Interlocutory Appeal The relevant factors the court should take into account on considering a motion for an immediate appeal before disposition of the entire case are: (1) certification would not result in unnecessary appellate review; (2) the claims finally adjudicated were separate, distinct, and independent of any of the other claims or counterclaims involved; (3) review of these adjudicated claims would not be mooted by any future developments in the case; and (4) the nature of the claims was such that no appellate court would have to decide the same issues more than o.ce even if there were subsequent appeals. Com.R.Civ.P. 54(b).

5. Civil Procedure - Final

Judgments - Interlocutory Appeal In determining whether an order dismissing a third-party complaint should be certified for immediate appeal, substantial weight should be given to the fact that the third-party claim is so completely incidental to and dependent upon the principal claim that there can be no recovery upon the third-party claim unless the plaintiff shall prevail on the principal claim and would be moot if the plaintiff did not prevail. Com.R. Civ.P. 54(b).

6. Courts - Powers

Courts should not reach to decide an important and complex issue which, depending upon the disposition of remaining issues, may never actually require resolution.

7. Civil Procedure - Final

Judgments - Interlocutory Appeal Third party claims for indemnity for judgments that may never occur should seldom fall within the narrow exception of orders appropriate for certification of the need for immediate appeal. Com.R.Civ.P. 54(b).

8. Civil Procedure - Final

Judgments - Interlocutory Appeal Equitable considerations may militate against granting motion for certification for immediate appeal. Com.R.Civ.P. 54(b).

9. Civil Procedure - Final

Judgments - Interlocutory Appeal An immediate appeal on a third-party indemnity claim that would serve only to delay the trial of the principal claim, without in any way either simplifying or facilitating its future litigation, may be considered to militate against grant of certification, and where parties did not show prejudice to their interests sufficiently compelling to outweigh the policy of preventing piecemeal appeals, there was just reason to delay appeal of an order dismissing parties' third-party complaint. Com.R.Civ.P. 54(b).

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COMMONWEALTH OF TH Commonwe	E NORTHERN MARIANA ISLANDS ALTH TRIAL COURT
PEDRO P. TENORIO, et al.,) CIVIL ACTION NO. 85-488
Plaintiffs,)
VS.)
CARLOS S. CAMACHO, et al.,)
Defendants.)
BANK OF SAIPAN, et al.,)) CIVIL ACTION NO. 85-507
Cross-Claimants, Third-Party Plaintiffs and Counter-Claimant,))))
V8.) ORDER
CARLOS S. CAMACHO, et al.,))
Cross-Defendant, Third-Party Defendants and Counter-Defendant.))))
	PACTS
On November 2, 1987 this	court ordered that the Third-Party
Complaint of Bank of Saipan an	n <mark>d Sid Blair a</mark> gainst Tok <mark>ai B</mark> ank of
California for indemnity and	contribution be dismissed for lack
of jurisdiction.	
Defendants Bank of Saipan	and Sid Blair now move for entry
of final judgment with respec	ct to the court's order dismissing
Tokai Bank of California pursu	ant to Com.R.Civ.Pro., Rule 54(b).

MOTION CONSIDERED WITHOUT BEARING

Rule 54(b) does not prescribe any procedure for obtaining a Indeed, the court may consider whether to issue certificate. such certification sua sponte. Arimizu v. Financial Sec. Ins. (Hawaii, App., 1985) 679 P.2d 627, 633; citing Co., Inc., 10 Wright, Miller and Kane, Federal Practice and Procedure: Civil 2d, § 2660 and cases cited therein.

[1] The court, as it may consider <u>sua sponte</u> whether to direct entry of a final judgment at this stage of the case, may also consider this motion without a hearing. Bank of Saipan and Sid Blair have submitted a memorandum of points and authorities in support of their motion for entry of judgment which is sufficient in advising the court as to the authorities supporting their position. In this case, the court finds that the facts and the law are sufficiently clear and finds that there is no need for a hearing on this matter. Additionally, waiting for a hearing date which would be suitable to the court and all parties concerned would result in unnecessary delay.

DISCUSSION

An order dismissing a third-party complaint is a "judgment" in the sense that it is a decision upon a cognizable claim for relief, In Re Fiddler's Woods Bondholders Litigation, (E.D. Pa., 1984) 594 F.Supp. 594, 596, and it is "final" in the sense that it is an ultimate disposition of an individual clair entered in the course of a multiple claims action.

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<u>Curtiss-Wright Corp. v. General Electric Co.</u>, (1980) 446 U.S. 1, 7, 100 S.Ct. 1460, 1464, 64 L.Ed.2d 1.

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5.3 Certification of an issue for immediate appeal under Rule 54(b), however, is appropriate only upon "an express determination that there is no just reason for delay." A Rule 54(b) certificate is not to be granted routinely, <u>Page v.</u> <u>Gulf Oil Co.</u>, (5th Cir., 1985) 775 P.2d 1311, 1313 and is left to the discretion of the court in the interest of sound judicial administration. <u>Curtiss-Wright Corp. v. General</u> <u>Electric Co.</u>, <u>supra</u>, 446 U.S. at 8, 100 S.Ct. at 1465. Only if the moving party presents specific equitable considerations which outweigh the preference for avoiding piecemeal appeals and ensuring prompt resolution of remaining issues should a Rule 54(b) certificate be granted. Id., at 5, 8, 100 S.Ct. at 1463, 1465.

[4] The Supreme Court in <u>Curtiss-Wright</u> found that the relevant factors the court should take into account on considering a Rule 54(b) motion are:

*... that certification would not result in unnecessary appellate review; that the claims finally adjudicated were separate, distinct, and independent of any of the other claims or counterclaims involved; that review of these adjudicated claims would not be mooted by any future developments in the case; and that the nature of the claims was such that no appellate court would have to decide the same issues more than once even if there were subsequent appeals." Curtiss-Wright, Id., at 5-6, 100 S.Ct. at 1463-1464.

In applying these factors to the present case, this court concludes that the interests of sound judicial administration would not be advanced by permitting Bank of Saipan and Sid Blair to take an immediate appeal from the order dismissing their third-party complaint.

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5] The factor in this case which weighs most heavily against allowing an immediate appeal is that Bank of Saipan and Blair's claim against Tokai Bank of California Will be moot if Bank of Saipan and Blair prevail in the primary action. In determining whether an order dismissing a third-party complaint should be certified for appeal under Rule 54(b), "substantial weight" should be given to the fact that the third-party claim is "so completely incidental to and dependent upon the principal claim that there can be no recovery upon the third-party claim unless the plaintiff shall prevail on the principal claim." <u>Panichello v. Pennsylvania Railroad Co.</u>, (3d Cir., 1958) 252 F.2d 452, 455.

Similarly, the court in <u>United States Fire Ins. Co., v.</u> <u>Smith Barney, Harris Upham Co.</u>, (8th Cir., 1983) 724 F.26 650, 652, cited the "grave concern of mootness" as a factor militating against permitting immediate appeal from the dismissal of a third-party complaint. Courts should not reach to decide an important and complex issue which, depending upon the disposition of remaining issues, may never actually require resolution. <u>In Re Fiddlers Woods</u>, <u>supra</u>, 594 F.Supp. at 597.

Third party claims for indemnity for judgments that may never occur should seldom fall within the narrow exception of Rule 54(b). <u>United States Fire Ins. Co. v. Smith Barney</u>, <u>supra</u>, 724 F.2d 650, 653.

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23 24 25 Bank of Saipan and Blair's motion for certification. Permitting an immediate appeal on a third-party indemnity claim would serve only to delay the trial of the principal claim without in any way either simplifying or facilitating its future litigation. Luckenbach Steamship Co. v. Muchlstem and Co., (2nd Cir., 1960) 280 F.2d 755, 758.

As the court noted in <u>Panichella v. Pennsylvania Railroad</u> <u>Co.</u>, supra, 252 F.2d at 455, [•]this case bristles with considerations which reinforce the normal rule.[•]

Bank of Saipan and Blair have not shown prejudice to their interests sufficiently compelling to outweigh the policy of preventing piecemeal appeals and ensuring prompt disposition of the remaining issues. Accordingly, this court concludes that there is just reason to delay appeal of the order dismissing Bank of Saipan and Blair's third-party complaint.

Based on the foregoing, Bank of Saipan and Blair's motion for entry of final judgment under Rule 54(b) is hereby denied.

Dated at Saipan, CM, this 10th day of December, 1987.

Hefner, Chiel Judge