I	Case 2:18-cv-00525-RSL Docume	ent 494	Filed 08/16/22	Page 1 of 5
1			The Hor	orable Robert S. Lasnik
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6	UNITED STATES	DISTRI	CT COURT	
7	WESTERN DISTRIC		VASHINGTON	
8				
9	ADRIENNE BENSON and MARY	Case	No. 18-cv-00525-	RSL
10	SIMONSON, individually and on behalf of all others similarly situated,	IGT I	DEFENDANTS'	OPPOSITION
			LAINTIFFS' MO	
11	Plaintiffs,	TEM	PORARY REST	RAINING ORDER
12	ν.			
13	DOUBLE DOWN INTERACTIVE, LLC,			
14	et al.,			
15	Defendants.			
16				
10	International Game Technology and IG	T ("IGT	Defendants") res	pectfully request leave
	to submit this opposition to plaintiffs' motion for	tempora	ary restraining orde	er in order to emphasize
18	two points: (1) plaintiffs cite no jurisdictional ba	-		-
19			-	
20	("DDI Co. Ltd.") or any other corporate affiliates	s of Dou	ible Down Interact	rive, LLC ("DDI"); and
21	(2) any substantive ruling by this Court in the nea	ar term is	s likely to setback	the significant progress
22	the parties have made in recent weeks to resolve	this case	e. Because there is	s no jurisdictional basis

IGT DEFENDANTS' OPPOSITION TO PLAINTIFFS' MOTION FOR A

plaintiffs' motion.

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to impose injunctive relief on DDI Co. Ltd. or other corporate affiliates of DDI, and because any

substantive ruling by the Court at this point in time would irreparably compromise the parties'

productive settlement discussions, the IGT Defendants respectfully request that this Court deny

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## A. Plaintiffs Cannot Enjoin A Non-Party.

Throughout this litigation, plaintiffs have ignored the fact that DDI, International Game Technology, and IGT are separate legal entities when it comes to their substantive claims. Given that this issue is the subject of pending motions involving the IGT Defendants, *e.g.*, Dkts. 289 & 330, the IGT Defendants have an interest in opposing any argument in which plaintiffs ask the Court to disregard the corporate form, as they have in their request for injunctive relief with respect to DDI and its corporate affiliates.

Plaintiffs claim Rule 65(d)(2)(C) permits the far-ranging relief requested in their motion. Dkt. 482 at 3. But Rule 65 does not "authoriz[e] injunctive relief against non-parties," as plaintiffs assert. *See* 11A Charles A. Wright, Arthur R. Miller & Mary Kay Kane, Fed. Prac. & Proc. Civ. § 2956 (3d ed.) ("A court ordinarily does not have power to issue an order against a person who is not a party and over whom it has not acquired in personam jurisdiction."); *Fregia v. Miranda*, No. 1:21-cv-01068-AWI-BAM (PC), 2021 WL 2948650, at \*2 (E.D. Cal. July 14, 2021) ("The Court's jurisdiction is limited to the parties in this action and to the viable legal claims upon which this action is proceeding.").

Instead, Rule 65(d)'s effect of binding persons "in active concert or participation with" an enjoined party only prevents a party from evading an order by acting through or with another entity – the Rule does not authorize a court to enjoin a non-party over which it does not have jurisdiction. *See Regal Knitwear Co. v. N.L.R.B.*, 324 U.S. 9, 14 (1945); *Zenith Radio Corp. v. Hazeltine Rsch., Inc.*, 395 U.S. 100, 112 (1969); *Lake Shore Asset Mgmt. Ltd. v. CFTC*, 511 F.3d 762, 766–67 (7th Cir. 2007) ("The only defendant in the CFTC's suit is Lake Shore Asset Management, which must be the sole addressee of the injunction. The injunction may direct Lake Shore to do things within its power—such as turning over its books and records—but may not impose obligations directly on other members of the corporate group.").

Plaintiffs' motion effectively inverts the Rule by seeking to prevent DDI's affiliates from taking actions of their own. Plaintiffs' requested relief – "to employ all available measures and

IGT DEFENDANTS' OPPOSITION TO PLAINTIFFS' MOTION FOR A -2-

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powers to ensure that no DoubleDown entity makes any extraordinary expenditures of cash" – plainly seeks to enjoin DDI Co. Ltd. and other DDI affiliates as if they can and should be deemed no different than DDI. Dkt. 482-1 ¶2. But because the Court does not have jurisdiction to grant relief against DDI's corporate affiliates, plaintiffs' motion must be denied.<sup>1</sup>

## **B.** Plaintiffs' Motion Has Disrupted The Mediation Process.

In formal proceedings with Phillips ADR and separate direct negotiations, the parties have made significant progress towards the resolution of this litigation in recent weeks. And although the IGT Defendants are not inclined to waive mediation privilege, they can represent that they have had good discussions with DDI, plaintiffs, and Phillips ADR as the parties work hard to find common ground. Further, the IGT Defendants are committed to continuing these efforts with a second, in-person, mediation session before Judge Phillips (ret.) scheduled for August 26, 2022.

Plaintiffs' motion has significantly disrupted this process. Shortly after the Court ordered Joe Sigrist to appear in person, plaintiffs suddenly withdrew their settlement offers. Given the chilling effect plaintiffs' motion has had on settlement negotiations, the IGT Defendants are concerned that any substantive ruling will irreparably compromise the parties' ability to resolve this litigation anytime soon. Therefore, in addition to denying plaintiffs' motion for the reason above, the IGT Defendants respectfully request that the Court continue to refrain from ruling on any substantive motion until the parties have completed settlement negotiations, through and including the in-person mediation with Judge Phillips (ret.) on August 26, 2022.

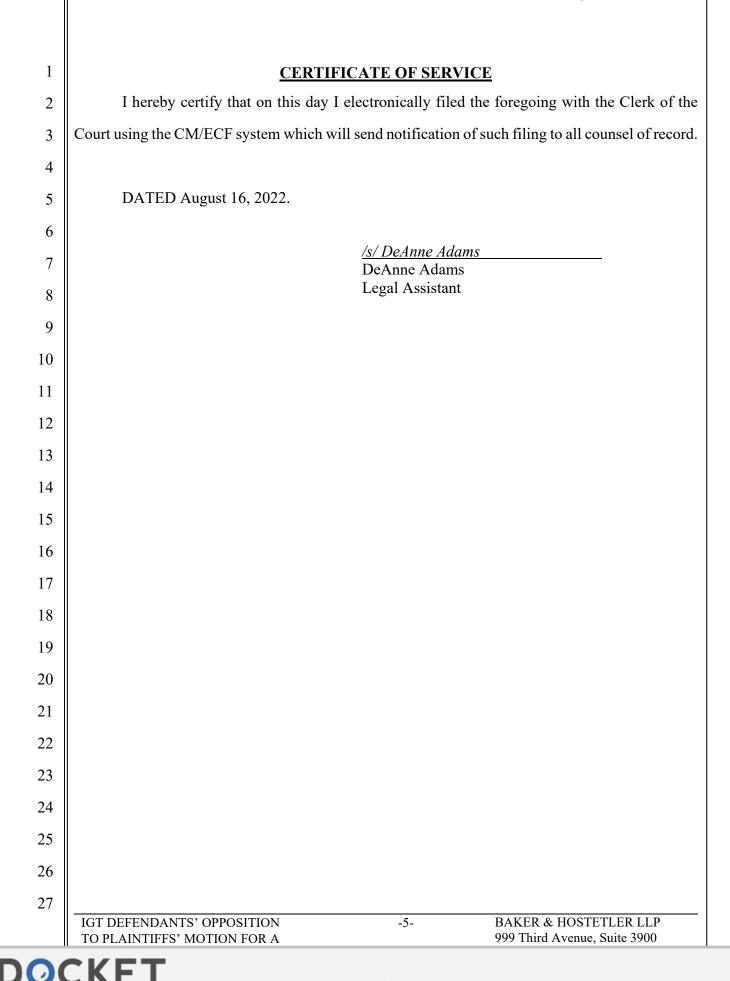
<sup>1</sup> To the extent plaintiffs seek injunctive relief with respect to DDI itself, they have made no showing of exigent circumstances that requires injunctive relief with respect to DDI at this time.

TO PLAINTIFFS' MOTION FOR A	

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