

# **EXHIBIT A**

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9 Attorneys for Specially Appearing Defendant  
10 SBC COMMUNICATIONS INC.

11 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
12 FOR THE COUNTY OF ORANGE  
13

14 RLH INDUSTRIES, INC., a California Corporation ) Case No. 02 CC 16869  
15 )  
16 Plaintiff, ) Complaint Filed: November 7, 2002  
17 v. )  
18 SBC COMMUNICATIONS, INC., PACIFIC ) NOTICE OF MOTION AND MOTION TO  
BELL TELEPHONE COMPANY and DOES ) QUASH SERVICE OF SUMMONS BY  
1 through 100, inclusive ) SPECIALLY APPEARING DEFENDANT  
19 Defendants. ) SBC COMMUNICATIONS INC.  
20 ) Date: June 24, 2003  
21 ) Time: 2:30 p.m.  
22 ) Dept.: C 13  
23 ) Judge: Hon. William Monroe  
24 ) Accompanying documents: Memorandum of  
Points and Authorities, [Proposed] Order,  
25 Declaration of Starlene Meyerkord

24 TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

25 PLEASE TAKE NOTICE that June 24, 2003 at 2:30 p.m., or as soon thereafter as the  
26 matter may be heard, in Department C 13 of the Orange County Superior Court, 700 Civic  
27 Center Drive, Santa Ana, California, specially appearing defendant SBC Communications Inc.  
28 will and hereby does move the Court to quash service of the summons and complaint in this

1 matter.

2 This motion is made pursuant to Code of Civil Procedure § 418.10 on the grounds that  
3 the Court lacks personal jurisdiction over specially appearing defendant SBC Communications  
4 Inc. The motion to quash will be based upon this Notice and Motion, the concurrently filed  
5 Memorandum of Points and Authorities, Declaration of Starlene Meyerkord, the file and records  
6 in this case, and any such additional oral or documentary evidence and argument as may be  
7 presented beforehand or at the hearing on the motion.

8 Additional information regarding appearances (including whether appearances at the  
9 hearing date are required), tentative rulings, and oral argument can be found at  
10 <http://www.occourts.org/rulings/monroe.asp>.

12 DATED: May 27, 2003

ARTER & HADDEN LLP

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By: Mollie F. Benedict  
Mollie F. Benedict  
Attorneys for Specially Appearing  
Defendant SBC COMMUNICATIONS  
INC.

PROOF OF SERVICE BY MAIL

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I, Estella Licon, declare as follows:

I am employed in the County of Los Angeles, State of California; I am over the age of 18 years and am not a party to the within action or proceeding. I am employed by the law firm of Arter & Hadden LLP, located at 725 S. Figueroa Street, Suite 3400, Los Angeles, California 90017-5434. I am readily familiar with Arter & Hadden LLP's business practice for collection and processing of correspondence for mailing with the United States Postal Service and am aware that envelopes placed for collection and mailing within the firm of Arter & Hadden LLP will be deposited within the United States Postal Service on the same day for first class mailing in the ordinary course of business. I served the within **NOTICE OF MOTION AND MOTION TO QUASH SERVICE OF SUMMONS BY SPECIALLY APPEARING DEFENDANT SBC COMMUNICATIONS INC.** in said cause by placing a true and correct copy thereof in an envelope addressed as follows:

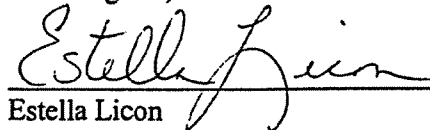
Richard S. Price, II, Esq.  
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and by then sealing said envelope and placing it for collection and mailing on May 28, 2003, following Arter & Hadden LLP's ordinary business practices.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on May 28, 2003, at Los Angeles, California.

  
\_\_\_\_\_  
Estella Licon

1 ARTER & HADDEN LLP  
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9 Attorneys for Specially Appearing Defendant  
10 SBC COMMUNICATIONS INC.

11 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
12 **FOR THE COUNTY OF ORANGE**  
13

14 RLH INDUSTRIES, INC., a California Corporation ) Case No. 02 CC 16869  
15 )  
16 Plaintiff, ) Complaint Filed: November 7, 2002  
17 v. ) **MEMORANDUM OF POINTS AND**  
18 SBC COMMUNICATIONS, INC., PACIFIC ) **AUTHORITIES IN SUPPORT OF**  
BELL TELEPHONE COMPANY and DOES ) **MOTION TO QUASH SERVICE OF**  
19 1 through 100, inclusive ) **SUMMONS BY SPECIALLY**  
20 ) **APPEARING DEFENDANT SBC**  
21 ) **COMMUNICATIONS INC.**

22 Defendants. ) Date: June 24, 2003  
23 ) Time: 2:30 p.m.  
24 ) Dept.: C 13  
25 ) Judge: Hon. William Monroe

26 ) Accompanying documents: Notice of Motion  
27 ) to Quash; Declaration of Starlene Meyerkord,  
28 ) and [Proposed] Order

I. INTRODUCTION

Defendant SBC Communications Inc. ("SBC") appears specially to move to quash service of the summons and complaint in this action. (Code of Civil Procedure § 418.10) SBC does not have sufficient minimum contacts with the state of California to support personal jurisdiction. SBC is an out-of-state corporation with its principal place of business in Texas. SBC does not provide goods or services within the state of California, and does not maintain any offices in the state of California. It is a Delaware holding company.

RLH concedes in its Second Amended Complaint that SBC is a Delaware Corporation with its principal place of business in Texas. (2nd Am. Cplt. ¶ 5.) RLH alleges that an SBC subsidiary, defendant Pacific Bell Telephone Company ("Pacific Bell"), does business in California. (2nd Am. Cplt. ¶¶ 5-6.) However, as a matter of law, this alleged parent-subsidiary relationship does not allow the Court to exercise personal jurisdiction over SBC.

II. SBC LACKS SUFFICIENT MINIMUM CONTACTS WITH THE STATE OF CALIFORNIA TO SUPPORT PERSONAL JURISDICTION

California's "long arm" statute allows the courts of this state to exercise personal jurisdiction to the full extent allowed under the United States Constitution and the California Constitution. The Court "may exercise jurisdiction on any basis not inconsistent with the Constitution of this state or of the United States." (Code Civ. Proc. § 410.10.)

The United States Constitution requires a plaintiff to establish that: (1) there are sufficient "minimum contacts" between a defendant and California; and (2) the maintenance of the suit in California does not offend "traditional notions of fair play and substantial justice." (*Lisoni v. Dave Cole Pontiac, Inc.* (1975) 52 Cal.App.3d 445, 447; *International Shoe Co. v. Washington* (1945) 326 U.S. 310, 316.)

California courts have articulated two tests for determining whether there are sufficient minimum contacts to justify the assertion of jurisdiction over a non-resident: the general jurisdiction test and the specific jurisdiction test.

The "general jurisdiction" test requires that the activities of the non-resident defendant be so "extensive and wide-ranging" or "continuous and systematic" that there is a constitutionally

1 sufficient relationship with California to warrant jurisdiction for all causes of action asserted  
2 against the defendant by any person and wherever such claims may arise. (*Cornelison v. Chaney*  
3 (1976) 16 Cal.3d 143, 147-148.) To satisfy this test, the defendant must do business in  
4 California in a significant and pervasive way. (*Id.*) This would apply, for example, to a foreign  
5 corporation that has offices and operations in California. "Such a defendant's contacts with the  
6 forum are so wide-ranging that they take the place of physical presence in the forum state as a  
7 basis for jurisdiction." (*Vons Companies, Inc. v. Seabest Foods, Inc.* (1996) 14 Cal.4th 434,  
8 446.)

9 The "specific jurisdiction" test focuses on the particular cause of action and the particular  
10 plaintiff before the court. Under this test, although there may not be general jurisdiction over the  
11 defendant, the defendant's acts in California with regard to the plaintiff and which relate to the  
12 plaintiff's claim may be such that there is limited jurisdiction over the defendant with respect to  
13 the claim. In such a case, jurisdiction requires a showing that the plaintiff's claim has a  
14 "substantial nexus" with the defendant's acts in California. (*Cornelison, supra*, 16 Cal.3d at pp.  
15 148-149.)

16 Under either test, plaintiff has the burden of proof to establish jurisdiction in opposing a  
17 motion to quash. (*Sheard v. Superior Court* (1974) 40 Cal.App.3d 207, 211; *Tiffany Records,*  
18 *Inc. v. N.B. Krupp Distributors, Inc.*, (1969) 276 Cal.App.2d 610, 615.) RLH must prove by a  
19 preponderance of the evidence the existence of sufficient "minimal contacts" to permit the  
20 exercise of jurisdiction. (*Sheard, supra*, 40 Cal.App.3d at p. 211.) RLH must make this factual  
21 showing by declarations or other competent evidence conforming to the California Rules of  
22 Evidence. (*Id.* at p. 212.) This requirement applies even if the moving defendant does not come  
23 forward with supporting evidence. (*Floveyor International, Ltd. v. Superior Court* (1997) 59  
24 Cal.App.4th 789, 794 ("until [plaintiff] makes at least a prima facie showing of . . . sufficient  
25 contacts with the State of California, [defendant] may stand mute").

26 RLH cannot meet that burden with respect to SBC.

27 ///

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1 A. There Is No Basis For General Jurisdiction Over SBC.

2 In order to establish general personal jurisdiction, a plaintiff must prove that a  
3 defendant's contacts with California have been significant and pervasive. (*Cornelison, supra*, 16  
4 Cal.3d at pp. 147-148.)

5 The California Supreme Court described the concept of "doing business" for purposes of  
6 general jurisdiction in *Fisher Governor Co. v. Superior Court* (1959) 53 Cal.2d 222. The  
7 plaintiff claimed that the defendant Iowa corporation had caused a wrongful death in Idaho  
8 through an allegedly defective product it had manufactured. Defendant sold its products in  
9 California through commissioned agents. The defendant was also listed in telephone directories  
10 in California under the telephone numbers and addresses of the commissioned sales  
11 representatives. (*Id.* at p. 224.) The court found that these activities were insufficient to find that  
12 the defendant was "doing business" in California to subject it to general jurisdiction for a death  
13 caused in Idaho. (*Id.* at 225-226.)

14 The *Fisher Governor* holding has been reaffirmed on numerous occasions. Discrete and  
15 isolated activity in California does not subject a defendant to general personal jurisdiction. (*See*,  
16 *e.g., Carretti v. Italpast* (2002) 101 Cal.App.4th 1236, 1245-46 [Italian company which sold  
17 goods to independent distributor who resold in California not subject to general jurisdiction];  
18 *Circus Circus Hotels, Inc. v. Superior Court* (1981) 120 Cal.App.3d 546, 563-566 [advertising  
19 "800" telephone listings in California insufficient for general jurisdiction], disapproved on other  
20 grounds by *Vons Companies, Inc. v. Seabest Foods, Inc.* (1996) 14 Cal.4th 434, 461-464.);  
21 *Stanley Consultants, Inc. v. Superior Court* (1978) 77 Cal.App.3d 444, 448-449 [defendant's  
22 discrete transactions over several years with various persons or entities in California did not  
23 subject defendant to general jurisdiction].)

24 As set forth in the attached declaration of Starlene Meyerkord, SBC is a Delaware  
25 holding company, with its principal place of business located in Texas. SBC does not pay taxes  
26 in California. SBC is not qualified to do business in California, does not have an agent for  
27 service of process in California, does not do business in California, and does not sell any goods  
28 or services in California. SBC has no employees, agents or distributors in California. SBC has



1 no office or place of business in California, has not solicited business or advertised for the sale of  
2 products in California, and has not transacted any intrastate business in California. Decl. of  
3 Starlene Meyerkord ["Meyerkord Decl."] ¶¶ 2-4.)

4 In an attempt to establish some sort of direct connection between SBC and California,  
5 RLH erroneously alleges that "SBC is a telecommunications company which provides, among  
6 other things, long distance telecommunications service in California." (2nd. Am. Cplt. ¶ 5.) In  
7 fact, SBC does not offer long distance telecommunications services or any other services in  
8 California. SBC is a holding company that has no customers in California or anywhere else.  
9 (Decl. of Starlene Meyerkord ["Meyerkord Decl."] ¶ 5.)

10 RLH also alleges that SBC has a connection with California because Pacific Bell  
11 Telephone Company, a defendant in the action, is a subsidiary of SBC and provides local  
12 telephone services to customers in California. (2nd. Am. Cplt. ¶ 6.) Such an allegation is  
13 irrelevant for jurisdiction purposes. California law is clear that mere ownership and control of a  
14 subsidiary corporation by a foreign parent does not subject the parent corporation to jurisdiction  
15 in the state where the subsidiary does business. (*Cannon Mfg. Co. v. Cudahy Packing Co.*  
16 (1925) 267 U.S. 333, 336.) The California courts have consistently followed this rule, most  
17 recently in *DVI, Inc. v. Superior Court* (Dec. 24, 2002) 104 Cal.App.4th 1080. As explained by  
18 the *DVI* court, "a parent company's ownership or control of a subsidiary does not, without more,  
19 subject the parent corporation to the jurisdiction of the state where the subsidiary does business."  
20 (*Id.* at p. 1092, citing *Sonora Diamond Corp. v. Superior Court* (2000) 83 Cal.App.4th 523, 540.)

21 In *DVI* the plaintiff sued the parent holding company, DVI, and its subsidiary, DVIBC.  
22 DVIBC did business in California but DVI did not. DVI's principal activity was to act as a  
23 holding company. However, unlike SBC in this case, DVI was registered to do business in  
24 California and it maintained an agent for service of process in California. Moreover, its  
25 subsidiary used the "DVI" name in its California advertising. Nevertheless, the appellate court  
26 found personal jurisdiction lacking. Among other things, DVI had no employees in California, it  
27 had no customers in California,, it paid no taxes in California, and it owned no real property in  
28 California. (*DVI, supra*, 104 Cal.App.4th at p. 1092.)

1 SBC's connection to California is even more attenuated. Unlike DVI, SBC is not  
 2 registered to do business in California and it does not maintain an agent for service of process in  
 3 California. SBC does not have employees in California. It does not have customers – in  
 4 California or anywhere -- it does not pay taxes in California, or own real property in California.  
 5 (Meyerkord Decl. ¶¶ 2-4.) Moreover, like DVI, the fact that the "SBC" brand is used in  
 6 California by SBC subsidiaries does not subject the parent holding company to the jurisdiction of  
 7 California courts. (*DVI, supra*, 104 Cal.App.4th at p. 1092.)

8 SBC cannot be subject to personal jurisdiction in California based on the activities of its  
 9 California subsidiary. The only exception to this rule is where the plaintiff can show that the  
 10 parent corporation so totally dominates, directs and controls the subsidiary's activities so as to  
 11 become the "alter ego" of the subsidiary. (*Sonora, supra*, 83 Cal.App.4th at pp. 538.) No such  
 12 allegation is made in this case, nor in good faith can such an allegation be made. SBC and  
 13 Pacific Bell are separate and distinct entities. Each entity has its own separate and independent  
 14 Board of Directors who are responsible for their respective businesses. (Meyerkord Decl.¶ 6.)  
 15 As such, jurisdiction over SBC cannot be grounded on the alleged acts of Pacific Bell.

16 In summary, SBC does not have the "extensive," "wide-ranging" and "continuous"  
 17 contacts with California that would subject it to general jurisdiction in the California courts

18 **B. There Is No Basis For Specific Jurisdiction Over SBC.**

19 Absent general jurisdiction, personal jurisdiction may be upheld only if plaintiff can  
 20 prove "specific" jurisdiction arising out of its particular cause of action and the defendant's  
 21 particularized contacts with California related to the cause of action. (*Vons Companies, Inc.,*  
 22 *supra*, 14 Cal.4th at pp. 445-446.) This test requires the plaintiff to demonstrate that: (1) the  
 23 "defendant has purposefully availed himself or herself of forum benefits" and (2) "the  
 24 controversy is related to or arises out of a defendant's contacts with the forum." (*Id.* at p. 446.)

25 The first factor requires proof that the defendant has intentionally engaged in activities in  
 26 California and sought the benefits or protections of California law in doing so. (*Id.*) The second  
 27 factor requires proof that there is a "substantial nexus between plaintiff's cause of action and  
 28 defendant's activities in California." (*Id.* at p. 448.)

1 Again, the only connection between SBC and California is that one of SBC's affiliates,  
 2 Pacific Bell, provides local phone service in California. That is not enough. Just as corporate  
 3 relationships do not create general personal jurisdiction, the acts of a subsidiary corporation do  
 4 not create special jurisdiction over the parent unless the parent was directly involved in the acts.  
 5 (*Sonora Diamond Corp., supra*, 83 Cal.App.4th at p. 552 [holding the parent corporation must  
 6 also have engaged in "target acts" in the jurisdiction]; *see, also, J.M. Sahlein Music Co. v.*  
 7 *Nippon Gakki Co., Ltd.* (1987) 197 Cal.App.3d 539, 544 [communications between Japanese  
 8 parent and California subsidiary concerning breach of contract lawsuit insufficient to support  
 9 California jurisdiction]; *Sammons Enterprises, Inc. v. Superior Court* (1988) 205 Cal.App.3d  
 10 1427, 1435 (1988) [communications between Delaware parent and California subsidiary  
 11 regarding California personnel insufficient to subject parent to California jurisdiction].)

12 Similarly, RLH's vague allegations of conspiracy with unspecific persons or entities  
 13 cannot be used as a bootstrap for personal jurisdiction. (2nd Am. Cplt. ¶ 9.) California does not  
 14 recognize conspiracy as a basis for acquiring personal jurisdiction over a party. (*Mansour v.*  
 15 *Superior Court* (1995) 38 Cal.App.4th 1750, 1758.) Jurisdiction over one alleged conspirator  
 16 does not establish jurisdiction over other, nonresident alleged co-conspirators. In deciding  
 17 whether personal jurisdiction exists, the focus is on each individual's forum-related activities.  
 18 (*Id.*) Plaintiff RLH cannot obtain personal jurisdiction over SBC based on allegations that SBC  
 19 conspired with Pacific Bell or with unnamed parties doing business in California.

20 **III. CONCLUSION**

21 RLH cannot establish personal jurisdiction over specially appearing defendant SBC  
 22 Communications Inc. This motion to quash should be granted.

24 DATED: May 27, 2003

ARTER & HADDEN LLP

26 By: Mollie F. Benedict  
 27 Mollie F. Benedict  
 28 Attorneys for Specially Appearing  
 Defendant SBC COMMUNICATIONS  
 INC.

PROOF OF SERVICE BY MAIL

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I, Estella Licon, declare as follows:

I am employed in the County of Los Angeles, State of California; I am over the age of 18 years and am not a party to the within action or proceeding. I am employed by the law firm of Arter & Hadden LLP, located at 725 S. Figueroa Street, Suite 3400, Los Angeles, California 90017-5434. I am readily familiar with Arter & Hadden LLP's business practice for collection and processing of correspondence for mailing with the United States Postal Service and am aware that envelopes placed for collection and mailing within the firm of Arter & Hadden LLP will be deposited within the United States Postal Service on the same day for first class mailing in the ordinary course of business. I served the within **MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION TO QUASH SERVICE OF SUMMONS BY SPECIALLY APPEARING DEFENDANT SBC COMMUNICATIONS INC.** in said cause by placing a true and correct copy thereof in an envelope addressed as follows:

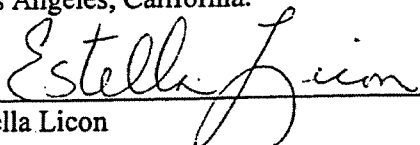
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and by then sealing said envelope and placing it for collection and mailing on May 28, 2003, following Arter & Hadden LLP's ordinary business practices.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on May 28, 2003, at Los Angeles, California.

  
\_\_\_\_\_  
Estella Licon

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8 Attorneys for Specially Appearing Defendant  
9 SBC COMMUNICATIONS INC.

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
11 FOR THE COUNTY OF ORANGE  
12

13 RLH INDUSTRIES, INC., a California Corporation ) Case No. 02 CC 16869  
14 )  
Plaintiff, ) Complaint Filed: November 7, 2002  
15 )  
v. ) DECLARATION OF STARLENE  
16 ) MEYERKORD IN SUPPORT OF  
SBC COMMUNICATIONS, INC., PACIFIC ) MOTION TO QUASH BY DEFENDANT  
17 BELL TELEPHONE COMPANY and DOES ) SBC COMMUNICATIONS INC.  
1 through 100, inclusive )  
18 ) Date: June 24, 2003  
Defendants. ) Time: 2:30 p.m.  
19 ) Dept.: C 13  
Judge: Hon. William Monroe  
20 )  
Accompanying documents: Notice of Motion  
21 ) to Quash, Memorandum of Points and  
Authorities, and [Proposed] Order  
22 )  
23 )

24 I, Starlene Meyerkord, declare as follows:

25 1. I am the Director, Office of the Secretary of SBC Communications Inc, a  
26 Delaware domestic corporation ("SBC," erroneously sued as SBC Communications). My office  
27 is located in San Antonio, Texas. SBC does not consent to jurisdiction in the State of California  
28 and I make this declaration only as part of a special appearance in support of SBC's motion to

1 quash. I have personal knowledge of or, based upon knowledge available to me in the regular  
2 course of my position at SBC, am informed and believe the following, and if called as a witness,  
3 I could and would competently testify thereto.

4 2. SBC is a Delaware holding company with its primary place of business in San  
5 Antonio, Texas. SBC is the direct or indirect parent corporation or owner of Pacific Bell  
6 Telephone Company ("Pacific Bell") and Ameritech Corporation ("Ameritech", erroneously  
7 sued as Ameritech, Inc.). SBC is also an indirect parent corporation of the limited liability  
8 corporation that serves as general partner of Southwestern Bell Telephone, L.P. ("Southwestern  
9 Bell"). SBC is a separate and distinct entity from each of Pacific Bell, Ameritech, and  
10 Southwestern Bell.

11 3. SBC owns no real property in California. SBC does not pay taxes in California.  
12 SBC is not registered or qualified to do business in California; does not do business in  
13 California; does not sell any goods or services in California; has no employees, agents or  
14 distributors in California; has not appointed an agent to receive service of process in California;  
15 and does not maintain books or records in California.

16 4. SBC has no office or place of business in California; has not solicited business or  
17 advertised for the sale of products or services in California; and has not transacted any intrastate  
18 business in California.

19 5. While some of its subsidiary corporations do so, SBC does not offer or sell  
20 telecommunications products or services. Certain subsidiary corporations may offer or sell  
21 telecommunications products or services using "SBC" brands in connection with trademarks,  
22 service marks and logo scripts owned and licensed for use by SBC Properties, L.P. SBC  
23 Properties, L.P. is an intellectual property holding and management company. SBC holds an  
24 indirect interest in SBC Properties, L.P. through a wholly owned subsidiary, SBC Properties GP,  
25 Inc., a Delaware corporation and the general partner in SBC Properties, L.P. However, SBC  
26 itself does not sell any such products or services, and because SBC simply operates as a holding  
27 company, it has no customers in California or elsewhere

28 6. Each SBC subsidiary corporation is governed by its own Board of Directors.

1 There are no overlapping directors between SRC and either Pacific Bell, Ameritech, or  
2 Southwestern Bell.

3 I declare under penalty of perjury under the laws of the State of California that the  
4 foregoing is true and correct. Executed this 14<sup>th</sup> day of March, 2003 at San Antonio, Texas.

5 *Starlene Meyerkord*  
6 Starlene Meyerkord  
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I, Estella Licon, declare as follows:

I am employed in the County of Los Angeles, State of California; I am over the age of 18 years and am not a party to the within action or proceeding. I am employed by the law firm of Arter & Hadden LLP, located at 725 S. Figueroa Street, Suite 3400, Los Angeles, California 90017-5434. I am readily familiar with Arter & Hadden LLP's business practice for collection and processing of correspondence for mailing with the United States Postal Service and am aware that envelopes placed for collection and mailing within the firm of Arter & Hadden LLP will be deposited within the United States Postal Service on the same day for first class mailing in the ordinary course of business. I served the within **DECLARATION OF STARLENE MEYERKORD IN SUPPORT OF MOTION TO QUASH BY DEFENDANT SBC COMMUNICATIONS INC.** in said cause by placing a true and correct copy thereof in an envelope addressed as follows:

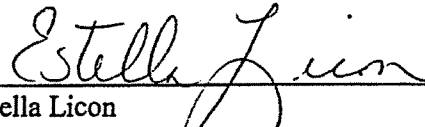
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and by then sealing said envelope and placing it for collection and mailing on May 28, 2003, following Arter & Hadden LLP's ordinary business practices.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on May 28, 2003, at Los Angeles, California.

  
\_\_\_\_\_  
Estella Licon



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9 Attorneys for Specially Appearing Defendant  
10 SBC COMMUNICATIONS INC.

11 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
12 FOR THE COUNTY OF ORANGE  
13

14 RLH INDUSTRIES, INC., a California Corporation ) Case No. 02 CC 16869  
15 )  
16 Plaintiff, ) Complaint Filed: November 7, 2002  
17 )  
18 v. ) [PROPOSED] ORDER GRANTING  
19 SBC COMMUNICATIONS, INC., PACIFIC ) MOTION TO QUASH SERVICE OF  
20 BELL TELEPHONE COMPANY, and DOES ) SUMMONS BY SPECIALLY  
1 through 100, inclusive ) APPEARING DEFENDANT SBC  
21 ) COMMUNICATIONS INC.  
22 )  
23 ) Accompanying documents: Notice of Motion  
24 Defendants. ) to Quash; Memorandum of Points and  
25 ) Authorities; and Declaration of Starlene  
26 ) Meyerkord

27 The motion to quash service of summons pursuant to Code of Civil Procedure § 418.10  
28 by specially appearing defendant SBC Communications Inc. ("SBC") came on regularly for  
29 hearing before this Court on June 24, 2003. The Court, having considered the motion, and  
30 GOOD CAUSE APPEARING, FINDS AND ORDERS AS FOLLOWS:

31 Plaintiff RLH has not satisfied its burden to prove that SBC has sufficient minimum  
32 contacts with the State of California to support personal jurisdiction. SBC does not do business

1 in California, and does not have significant and pervasive contact with California sufficient to  
2 support general personal jurisdiction. (*Carretti v. Italtel* (2002) 101 Cal.App.4th 1236, 1245-  
3 46.) In addition, RLH has not proven that its claims have a "substantial nexus" with any act by  
4 SBC in the State of California to support specific personal jurisdiction for purposes of this  
5 action. (*Cornelison v. Chaney* (1976) 16 Cal.3d 143, 147-149.)

6 SBC's motion to quash service of Summons and Second Amended Complaint is therefore  
7 granted in its entirety and the claims against SBC are hereby dismissed.

8 DATED:  
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12 Hon. William Monroe  
Orange County Superior Court  
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PROOF OF SERVICE BY MAIL

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I, Estella Licon, declare as follows:

I am employed in the County of Los Angeles, State of California; I am over the age of 18 years and am not a party to the within action or proceeding. I am employed by the law firm of Arter & Hadden LLP, located at 725 S. Figueroa Street, Suite 3400, Los Angeles, California 90017-5434. I am readily familiar with Arter & Hadden LLP's business practice for collection and processing of correspondence for mailing with the United States Postal Service and am aware that envelopes placed for collection and mailing within the firm of Arter & Hadden LLP will be deposited within the United States Postal Service on the same day for first class mailing in the ordinary course of business. I served the within **[PROPOSED] ORDER GRANTING MOTION TO QUASH SERVICE OF SUMMONS BY SPECIALLY APPEARING DEFENDANT SBC COMMUNICATIONS INC.** in said cause by placing a true and correct copy thereof in an envelope addressed as follows:


Richard S. Price, II, Esq.  
1235 North Harbor Boulevard  
Suite 200  
Fullerton, CA 92832-1349  
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H. Kenneth Kudon, Esq.  
Two Old Creek Court  
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and by then sealing said envelope and placing it for collection and mailing on May 28, 2003, following Arter & Hadden LLP's ordinary business practices.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on May 28, 2003, at Los Angeles, California.

  
\_\_\_\_\_  
Estella Licon