

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES – GENERAL

Case No. 2:24-cv-04431-JLS-SK

Date: September 20, 2024

Title: Franz Haas, GmbH/srl v. Winebow, Inc. et al

Present: **Honorable JOSEPHINE L. STATON, UNITED STATES DISTRICT JUDGE**

Kelly Davis
Deputy Clerk

N/A
Court Reporter

Attorneys Present for Plaintiffs:

Attorneys Present for Defendant:

Not Present

Not Present

**PROCEEDINGS: (IN CHAMBERS) ORDER GRANTING MOTION TO
DISMISS WITHOUT PREJUDICE (Doc. 20)**

Before the Court is a Motion to Dismiss filed by Defendant Winebow, Inc. (“Winebow”). (Mot., Doc. 20.) Plaintiff Franz Haas, GmbH/srl (“Haas”) opposed, and Winebow responded. (Opp., Doc. 24; Reply, Doc. 28.) The Court held a hearing on the matter on August 30, 2024, and having considered the parties’ papers, the Court GRANTS the Motion. For the reasons discussed below, the Court DISMISSES this action without prejudice so that Haas may petition a United States district court for confirmation of the foreign arbitration award central to this action.

Haas, an Italian LLC, and manufacturer of fine wines, initiated this action on May 28, 2024, against Winebow and 50 Doe Defendants. (*See generally* Compl., Doc. 1.) Haas asserts claims for tortious interference, unfair competition in violation of Cal. Bus. & Prof. Code §§ 17200, *et seq.*, and trademark infringement. Haas alleges that Winebow was the exclusive distributor of Haas’s wines in the United States until October 24, 2021, when Haas lawfully terminated the Supply Agreement between the parties. (Compl. ¶ 9.) The parties subsequently engaged in arbitration regarding the Supply Agreement’s

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termination in Italy, and on June 27, 2023, the Italian Arbitration Panel entered an Arbitration Award. (*Id.* ¶¶ 9–10.)

Haas’s claims are premised on the Arbitration Award. Specifically, Haas alleges that the Arbitration Award recognized the termination of the parties’ Supply Agreement as of October 24, 2021, and required Winebow to “cease[] to introduce themselves as [Haas’s] exclusive importer,” but that Winebow continues to represent that it is the exclusive distributor of Haas’s wines in the United States. (*Id.* ¶ 10.) Haas further alleges that Winebow has intentionally interfered with Haas’s attempts to set up a new distribution network in the United States. (*See id.* ¶¶ 13–25.) Among other remedies, Haas seeks a “permanent injunction requiring Defendant[s] to abide by the terms of the [Arbitration Award].” (*Id.* ¶ 50.)

Winebow moved to dismiss all claims. (*See generally* Mot.) Winebow’s principal argument hinges on its own interpretation of the Arbitration Award. According to Winebow, a plain reading of the Arbitration Award makes clear that Winebow continued to be the exclusive distributor of Haas’s wines—even after the Supply Agreement terminated—until all the “already-ordered products” were “entirely sold.” (*Id.* at 7.) Because Winebow had not sold all the already-ordered products, Winebow contends that it cannot be liable for any of the alleged conduct because it “has simply been acting to enforce its contractual rights.” (*Id.* at 9.)

The Arbitration Award that lies at the heart of this action, however, has not been confirmed by a United States district court. The United Nations Convention on the Recognition and Enforcement of Foreign Arbitration Awards (“the Convention”) governs the “recognition and enforcement” of foreign arbitration awards in U.S. courts.¹

¹ The Convention has been ratified by the United States and Italy. *See* Convention on the Recognition and Enforcement of Foreign Arbitral Awards Status,

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9 U.S.C. § 201 (stating that the Convention “shall be enforced in United States courts”). Under the Convention, “any party to the arbitration may apply” to a federal district court “for an order confirming the award as against any other party to the arbitration.”

Id. § 207. “A district court must confirm a foreign arbitral award unless the party resisting enforcement meets its ‘substantial’ burden of proving one of seven narrowly interpreted defenses” enumerated in the Convention. *Castro v. Tri Marine Fish Co. LLC*, 921 F.3d 766, 773 (9th Cir. 2019) (citing 9 U.S.C. § 207).

At the hearing on the Motion to Dismiss, the parties stated that neither party had petitioned a district court to confirm the Arbitration Award. Haas’s counsel indicated that he was unaware of 9 U.S.C. § 207, and so the Court permitted the parties to submit supplemental briefing on the limited issue of why this action should not be dismissed without prejudice due to the unconfirmed Arbitration Award.

Haas timely submitted a supplemental brief, in which Haas concedes that “the Arbitration Award requires a petition for confirmation pursuant to 9 U.S.C. § 207.” (Supp. Br., Doc. 30 at 2.) In addition, Haas now asserts for the first time that there is a “judgment entered in Italy” that purportedly “confirms the Arbitration Award.” (*Id.*) Haas attached the judgment to its supplemental brief and requests that the Court take judicial notice of it. (Punter Decl., Ex. 1, Doc. 31; Request for Judicial Notice, Doc. 32.) Winebow responded, arguing that the unconfirmed Italian Arbitration Award is alone a ground for dismissal. (Opp. to Supp. Br., Doc. 33, at 2.) Winebow also argues that Haas’s translation of the Italian judgment cannot be introduced at this “post-hearing

https://uncitral.un.org/en/texts/arbitration/conventions/foreign_arbitral_awards/status2 (last visited September 12, 2024).

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stage,” lacks a requisite certificate in English, is hearsay, and contains no language indicating that it is a “judgment.” (*Id.* at 2–3.)

Regardless of the procedural and evidentiary issues Winebow identifies, the Court finds the existence of Haas’s newly alleged “Italian judgment” irrelevant to the question whether this action can proceed before this Court. The parties concede that the Arbitration Award has not been confirmed by a United States district court, and Haas has provided no legal authority to suggest that the Court can interpret or enforce a foreign arbitration award that has not been confirmed by a federal district court in the United States.

Accordingly, the Court DISMISSES all claims without prejudice so that Haas may petition a district court for confirmation of the Arbitration Award.

Initials of Deputy Clerk: kd