
UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES – GENERAL

Case No. 8:23-cv-00734-FWS-ADS

Date: October 6, 2025

Title: Jasibel Canchola *et al.* v. Allstate Insurance Company *et al.*

Present: **HONORABLE FRED W. SLAUGHTER, UNITED STATES DISTRICT JUDGE**

Damian Velazquez for Rolls Royce Paschal
Deputy Clerk

N/A
Court Reporter

Attorneys Present for Plaintiffs:

Attorneys Present for Defendant:

Not Present

Not Present

**PROCEEDINGS: (IN CHAMBERS) ORDER DENYING PLAINTIFFS’ MOTION FOR
REVIEW OF MAGISTRATE JUDGE’S ORDER [248] AND
DEFENDANT’S MOTION FOR REVIEW OF MAGISTRATE
JUDGE’S ORDER [249]**

I. Introduction and Background

This case concerns Defendant Allstate Insurance Company’s classification of insurance agents (the “Agents”) as independent contractors under California law, which resulted in the Agents being required to bear expenses from selling Defendant’s insurance and servicing its customers. (Dkt. 41 (“FAC”) ¶ 3.) In this class action, Plaintiff Jasibel Canchola, Plaintiff Carlos Ochoa, Plaintiff Richard Curtis, and Plaintiff Robert Souza (collectively, “Plaintiffs”) allege Defendant violated California Labor Code § 2802 and seek reimbursement of those business expenses. (*Id.* ¶¶ 19, 104-07.)

In June 2025, Defendant filed before Magistrate Judge Autumn D. Spaeth a Motion for Leave to Take Discovery of Class Members, seeking leave (1) to depose up to 30 absent class member and serve 14 corresponding document requests, and (2) to serve four document requests on all absent class members. (Dkt. 225 (“Motion for Leave”) at 3.) The Motion for Leave was supported by a Joint Stipulation. (Dkt. 225-1.) Magistrate Judge Spaeth granted in part and denied in part the Motion for Leave. (Dkt. 243 (“Magistrate Judge Spaeth’s Order” or “MJ Order”).) In summary, first, Magistrate Judge Spaeth found that Defendant failed to sufficiently demonstrate leave to depose up to 30 absent class members and serve 14 corresponding document requests was necessary. (*Id.* at 3-6.) Second, Magistrate Judge Spaeth

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found that Defendant’s four document requests sought more documents than necessary and that any expense-related document request needed to be narrower. (*Id.* at 6-8.) Accordingly, Magistrate Judge Spaeth denied Defendant’s discovery requests but permitted Defendant to serve an expense-related document request. (*Id.* at 3-8.)

Now before the court are two motions: (1) Plaintiffs’ Motion for Review of Magistrate Judge Spaeth’s Order, (Dkt. 248 (“Plaintiffs’ Motion”)), and (2) Defendant’s Motion for Review of Magistrate Judge Spaeth’s Order, (Dkt. 249 (“Defendant’s Motion”)). Both motions are fully briefed. (*See* Dkts. 262, 265, 268, 274.) The court finds these matters appropriate for resolution without oral argument. *See* Fed. R. Civ. P. 78(b) (“By rule or order, the court may provide for submitting and determining motions on briefs, without oral hearings.”); C.D. Cal. L.R. 7-15 (authorizing courts to “dispense with oral argument on any motion except where an oral hearing is required by statute”). Accordingly, the hearing set for October 9, 2025, (*see* Dkts. 249, 251), is **VACATED** and off calendar. Based on the state of the record, as applied to the applicable law, the court **DENIES** both Plaintiffs’ Motion and Defendant’s Motion.

II. Legal Standard

A district judge must “consider timely objections and modify or set aside” any part of a magistrate judge’s order that “is clearly erroneous or contrary to law.” Fed. R. Civ. P. 72(a). “The magistrate’s factual determinations are reviewed for clear error, and the magistrate’s legal conclusions are reviewed to determine whether they are contrary to law.” *Perry v. Schwarzenegger*, 268 F.R.D. 344, 348 (N.D. Cal. 2010). The latter standard is met when the ruling “fails to apply or misapplies relevant statutes, case law, or rules of procedure.” *Defazio v. Wallis*, 459 F. Supp. 2d 159, 163 (E.D.N.Y. 2006) (citation and quotes omitted). The district court’s review of “whether the Magistrate Judge ruled ‘contrary to law’ is de novo rather than deferential.” *Coleman v. Diaz*, 2014 WL 1795157, at *3 (C.D. Cal. Mar. 11, 2014); *see Perry*, 268 F.R.D. at 348.

III. Analysis

Courts “have discretion to allow limited discovery from absent class members if the particular circumstances of a specific case justify it.” *Briseno v. ConAgra Foods, Inc.*, 844 F.3d

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1121, 1131 n.10 (9th Cir. 2017) (citing William B. Rubenstein, Newberg on Class Actions § 9:13 (5th ed. 2013)). “The Ninth Circuit has not otherwise addressed the applicable legal standards” for the limited discovery of absent class members. *Fine v. Kansas City Life Ins. Co.*, 2024 WL 4351610, at *1 (C.D. Cal. Sept. 27, 2024) (citing *Aldapa v. Fowler Packing Co.*, 2019 WL 2635947, at *3 (E.D. Cal. June 27, 2019)). The court recognizes that other courts have applied the legal standard articulated by the Seventh Circuit in *Clark v. Universal Builders, Inc.*, 501 F.2d 324 (7th Cir. 1974). See *Arredondo v. Delano Farms Co.*, 2014 WL 5106401, at *4 (E.D. Cal. Oct. 10, 2014) (“However, courts often apply the standard articulated by the Seventh Circuit in *Clark v. Universal Builders, Inc.*, 501 F.2d 324, 340–41 (7th Cir.1974).”); see also, e.g., *Fine*, 2024 WL 4351610, at *2 (“This Court agrees that *Clark* furnishes the appropriate legal standard governing requests to propound discovery on absent class members.”); *McPhail v. First Command Fin. Plan., Inc.*, 251 F.R.D. 514, 517-18 (S.D. Cal. 2008) (applying the legal standard articulated in *Clark*). In *Clark*, the Seventh Circuit permitted discovery of absent class members where the proponent of the discovery establishes the following: (1) the discovery is not designed to take undue advantage of class members or to reduce the size of the class, (2) the discovery is necessary, (3) responding to discovery requests would not require the assistance of counsel, and (4) the discovery seeks information that is not already known by the proponent. 501 F.2d at 340-42. In *Arredondo*, the court articulated the legal standard differently, concluding that “discovery from absent class members may be permitted when reasonably necessary, not conducted for an improper purpose, and not unduly burdensome.” 2014 WL 5106401, at *5. Although courts have articulated the legal standards differently, all the courts require the proponent of discovery to demonstrate the discovery sought is necessary.

In the pending motions, the parties challenge Magistrate Judge Spaeth’s discovery rulings regarding (1) depositions of absent class members and (2) expense-related documents. (Dkt. 248 at 7; Dkt. 249 at 4-5.) The court addresses each ruling in turn.

A. Defendant’s Absent-Class-Member Deposition Requests

Defendant argues the denial of absent-class-member depositions was clearly erroneous and contrary to law because the discovery is necessary to explore how the Agents operated and whether the expenses were reasonable and necessary. (Dkt. 249 at 6-7.) Defendant further argues the depositions are necessary to fully defend against Plaintiffs’ claims. (*Id.* at 7-8.)

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Plaintiffs respond Magistrate Judge Spaeth’s Order was not clearly erroneous because Plaintiffs have not injected absent class members into the litigation, Defendant has failed to show that depositions are necessary, and Magistrate Judge Spaeth correctly accounted for potential prejudice to absent class members. (Dkt. 265 at 9-17.)

The court finds Magistrate Judge Spaeth’s denial of absent-class-member depositions was not clearly erroneous nor contrary to law. *See* Fed. R. Civ. P. 72(a). Magistrate Judge Spaeth agreed with Plaintiffs that Defendant did not meet its burden to show depositions are necessary at this time. (MJ Order at 4-6.) As Magistrate Judge Spaeth explained, Defendant failed to sufficiently demonstrate how the discovery sought is “not readily obtainable from the representative parties or other sources.” *See Aldapa*, 2019 WL 2635947, at *4 (citation modified). Magistrate Judge Spaeth was not persuaded by Defendant’s necessity arguments where Plaintiffs are asserting liability based on Defendant’s written agreements. *See also, e.g., Burgess v. Tesoro Ref. & Mktg. Co.*, 2011 WL 13217362, at *2 (C.D. Cal. July 5, 2011) (finding defendant’s assertion insufficient to demonstrate necessity where defendant seeks to show different experiences among class members to contradict alleged uniform policies). The court is not persuaded that Defendant’s need to present a comprehensive defense is sufficient to carry its “even heavier” burden, compared to other discovery devices, to justify depositions. *Baldwin & Flynn v. Nat’l Safety Assocs.*, 149 F.R.D. 598, 600 (N.D. Cal. 1993). Moreover, the court shares Magistrate Judge Spaeth’s concern that permitting Defendant to conduct the absent-class-member depositions it seeks at this time may have a chilling effect on absent class members who still work with Defendant. *See Burgess v. Tesoro Ref. & Mktg. Co.*, 2011 WL 13217362, at *2; *Aldapa*, 2019 WL 1047492, at *14 (recognizing “depositions of absent class members can have a chilling effect on their willingness to be part of the class, especially where the deponents are employees”); (MJ Order at 5-6). Defendant did not propose a specific process for selecting absent class members for depositions and document production. Rather, Defendant merely suggested that the absent class members be chosen at random to be deposed on topics outlined in the Joint Stipulation, (Dkt. 225-1). (Dkt. 249 at 10.) Because the court finds Magistrate Judge Spaeth’s denial of absent-class-member depositions was not clearly erroneous nor contrary to law, the court **DENIES** Defendant’s Motion.

B. Expense-Related Document Request

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Plaintiffs argue Rule 23 requires modifying Magistrate Judge Spaeth’s Order to provide an orderly process for collecting expense-related documents and protecting class members. (Dkt. 248 at 15-26.) More specifically, Plaintiffs argue the collection of expense-related documents should occur after resolving common issues. (*Id.* at 17-23.) Defendant responds Plaintiffs are essentially seeking reconsideration of the court’s order denying bifurcation. (Dkt. 262 at 6-8.) Defendant further responds Magistrate Judge Spaeth’s Order is consistent with Rule 23. (*Id.* at 8-11.)

The court finds Magistrate Judge Spaeth’s decision regarding discovery of expense-related documents was not clearly erroneous nor contrary to law. *See* Fed. R. Civ. P. 72(a). The court acknowledges Plaintiffs’ concerns regarding the potential prejudice and burden of the limited discovery under Rule 23, (*see* Dkt. 248 at 7-8, 15-26). However, the parties do not dispute that it is necessary to collect expense-related documents from absent class members to calculate the individualized damages. (Dkt. 248 at 7; Dkt. 262 at 3-4.) Because Plaintiffs have not successfully moved to bifurcate the trial into liability and damage phases at the time of this Order, (*see* Dkt. 231), the court finds permitting discovery of expense-related documents at this time is not clearly erroneous nor contrary to law.¹ *See Briseno*, 844 F.3d at 1131 n.10. Moreover, Magistrate Judge Spaeth has already limited the discovery in this case to minimize potential prejudice on absent class members. (*See* Section III.A; MJ Order.) Based on the current record, including the fact that there is only one fact discovery period, the court finds Magistrate Judge Spaeth’s decision regarding discovery of expense-related documents was not clearly erroneous nor contrary to law. *See* Fed. R. Civ. P. 72(a). Accordingly, the court **DENIES** Plaintiffs’ Motion.

IV. Disposition

¹ To the extent the parties request the court modify the Scheduling Order, the parties shall file a stipulation or an appropriate motion. *See Mediterranean Enters., Inc. v. Ssangyong Corp.*, 708 F.2d 1458, 1465 (9th Cir. 1983) (“The trial court possesses the inherent power to control its own docket and calendar.”). Accordingly, any requests to modify discovery deadlines included in Plaintiffs’ Motion are not addressed in this Order.

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For the reasons stated above, the court **DENIES** both Plaintiffs' Motion and Defendant's Motion.