

1 IN THE SUPREME COURT OF THE STATE OF NEVADA

2 GRUPO FAMSA, S.A. DE C.V., a
3 Mexican corporation,

4 Petitioner and Defendant,

5 vs.

6 THE EIGHTH JUDICIAL DISTRICT
7 COURT of the State of Nevada, in and
8 for the County of Clark, and THE
9 HONORABLE ROB BARE, District
10 Court Judge,

11 Respondents,

12 B.E. UNO, LLC, a Nevada limited
13 liability company,

14 Real Party in Interest and
15 Plaintiff.

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SUPREME COURT CASE NO.:
69119

DISTRICT COURT CASE NO.:
A-14-706336-C

16 **ANSWER TO PETITION FOR WRIT OF MANDAMUS**

17
18 KELLY J. BRINKMAN, ESQ.
19 GOOLD PATTERSON
20 Nevada Bar No. 6238
21 1975 Village Center Circle, Suite 140
22 Las Vegas, Nevada 89134
23 Telephone: (702) 436-2600
24 Facsimile: (702) 436-2600
25 Email: kbrinkman@gooldpatterson.com

26 *Attorneys for Real Party in Interest/Plaintiff*
27
28

TABLE OF CONTENTS

	Page
I. INTRODUCTION	1
II. STATEMENT OF FACTS	1
III. STATEMENT OF LAW	4
A. The Standard for Review of the Bond Order is Whether the State Court Manifestly Abused its Discretion.....	4
IV. LEGAL ARGUMENT	5
A. NRAP 8(a)(2)(E) Grants the State Court Wide Discretion to Order a Bond as a Condition of Petitioner's Stay Relief	5
B. The State Court Did Not Abuse its Discretion by Ordering a Bond for \$1,000,000 as a Condition to Petitioner's Stay Relief	6
C. Plaintiff is and Continues to Suffer Harm as a Result of the Stay.....	9
D. The Stay Order is Akin to a Restraining Order in Which a Bond or Other Security is Required as a Condition to a Stay.....	10
E. Petitioner Filed Two Separate Pleadings: (1) Writ of Prohibition on the Denial of its Motion to Quash; and (2) Stay Motion.....	13
V. CONCLUSION.....	14
CERTIFICATE OF COMPLIANCE.....	15
PROOF OF SERVICE.....	16

TABLE OF AUTHORITIES

CASES

Page

<u>Bemo USA Corp. v. Jake's Crane, Rigging & Transp. Int'l Inc.,</u> 2010 WL 4604496 (D. Nev. Nov. 5, 2010).....	12
<u>Beverly Enterprises-Arkansas, Inc. v. Circuit Court of Independence Cnty,</u> 367 Ark. 13, 16, 238 S.W.3d 108, 110 (2006).....	12, 13
<u>Bradley v. Jones,</u> 227 Ark. 574, 300 S.W.2d 1 (1957).....	11
<u>Breckenridge v. Givens,</u> Ark. 419, 39 S.W.3d 798 (2001)	10
<u>County of Clark v. Doumani,</u> 114 Nev. 46, 952 P.2d 13 (1998).....	5
<u>Duncan v. Crowder,</u> 232 Ark. 628, 339 S.W.2d 310 (1960).....	11
<u>Enterprise Citizens v. Clark Co. Comm'rs,</u> 112 Nev. 649, 918 P.2d 305 (1996).....	5
<u>Enterprise Citizens v. Clark Co. Comm'rs,</u> 112 Nev. 649, 918 P.2d 305, 308 (1996).....	5
<u>First Nat'l Bank of IZARD County v. Arkansas State Bank Comm'r,</u> 301 Ark. 1, 781 S.W.2d 744 (1989).....	10, 11
<u>Fritz Hansen A/S v. Dist. Ct.,</u> 6 P.3d at 982, 986-87, 116 Nev. 650 (2000).....	10
<u>Gragson v. Toco,</u> 90 Nev. 131, 520 P.2d 616, 617 (1974).....	5
<u>Jackson v. State,</u> 117 Nev. 116, 120, 17 P.3d 998, 1000 (2001).....	4
<u>Jones v. Carney,</u> 264 Ark. 405, 572 S.W.2d 585 (1978).....	10
<u>Nelson v. Heer,</u> 121 Nev. 832, 122 P.3d 1252 (2005).....	12
<u>Nelson v. Heer,</u> 121 Nev. 832, 836, 122 p.3d 1252, 1254 (2005).....	4
<u>Quiroz v. Dickerson,</u> 2013 WL 5947459 (D. Nev. Nov. 1, 2013).....	12
<u>Round Hill General Imp. Dist. V. Newman,</u> 97 Nev. 601, 637 P.2d 534, 536 (1981).....	4
<u>Schwartz v. Schwartz,</u> 126 Nev. 87, 91, 225 P.3d 1273, 1276 (2010).....	4
<u>State Emp. Security v. Hilton Hotels,</u> 102 Nev. 606, 608, 729 P.2d 497, 498 (1986).....	5
<u>Wayne Alexander Trust v. City of Bentonville,</u> 345 Ark. 577, 47 S.W.3d 262 (2001).....	10
<u>Wisconsin Gas Co. v. F.E.R.C.,</u> 758 F.2d 669, 674 (D.C. Cir. 1985).....	9

STATUTES

Page

NRAP 8.....	11, 12
NRAP 8(a)(1)(B).....	4

1	NRAP 8(a)(2)(E).....	1, 5, 6, 7, 12
2	NRCP 62.....	11, 12
3	NRCP 65.....	11
4	NRS 18.130.....	11
5	NRS 47.130(2)(b).....	10
6	NRS 69.010(2).....	11

OTHER AUTHORITIES

7		Page
8	Ark. R. Civ. P. 2(a)(9).....	13
9	Ark. R. Civ. P. 23.....	13

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1 B.E. Uno, LLC, as Real Party in Interest and Plaintiff (“Plaintiff”),
2 submits this Answer to Petitioner’s, Grupo Famsa, S.A. de C.V.’s
3 (“Petitioner”) Writ of Mandamus under NRAP 21(a) (“Writ”).

4 I. INTRODUCTION

5 Despite the absolute right under NRAP 8(a)(2)(E) to condition a
6 “stay” upon the posting of a bond, Petitioner wants this Court to vacate the
7 state-court bond order resulting from Petitioner’s extraordinary stay of all
8 proceedings against it. In essence, Petitioner wants to reap all the benefits of
9 a stay, without any attenuating risks/costs. Given that the state court has
10 wide discretion to order a bond as a condition of stay relief, and given that
11 the state court records contain ample evidence to support both the reasons
12 for issuance of a bond and the amount thereof, the state court did not abuse
13 its discretion in requiring a bond in the amount of \$1,000,000. Therefore,
14 Petitioner’s writ of mandamus must be denied.

15 II. STATEMENT OF FACTS

16 1. In February 2014, Judge Mark Denton conducted a bench trial
17 in Case No. A-12-672870 (“Original Action”), by and between Plaintiff and
18 Famsa, Inc. (“Famsa”), the subsidiary of Petitioner (and tenant under the
19 lease guaranteed by Petitioner). See Plaintiff’s Suppl. Appx., 0137-0143.

20 2. During the Original Action, Judge Denton found that the
21 tenant was liable for breach of lease to Plaintiff and awarded Plaintiff
22 damages in the amount of \$882,683.71 (which amount includes attorney fees
23 and costs) (the “Judgment”). See Pet. Appx., 0014-0018, Judgment.

24 3. The Judgment was based on the fact that Famsa had failed to
25 pay any rent to Plaintiff since November 2012, about the time Famsa
26 vacated the leased premises. See Plaintiff’s Suppl. Appx., 0137-0143,
27 Findings of Fact and Conclusions of Law, ¶¶3 & 7.

28 4. The amount awarded in the Original Action, was from

1 November 2012 through February 2014, the date of the trial (finding
2 Plaintiff could not accelerate the rent through the remaining lease term of
3 October 2020, but could bring successive actions for accruing rent). Id.,
4 Findings of Fact and Conclusions of Law, ¶¶ 2, 5 and 7.

5 5. This current action was brought to permit Plaintiff to collect
6 additional rent due and owing from March 2014 forward, and to confirm
7 Petitioner's liability for its breach under the Guaranty of Lease
8 ("Guaranty"), which expressly holds that any judgment obtained against its
9 tenant "*shall in every and all aspects bind and be conclusive against*
10 *Guarantor to the same extent as if Guarantor had appeared in any such*
11 *proceeding and judgment herein had been rendered against Guarantor.*"
12 See Plaintiff's Suppl. Appx., 0144-0148, Guaranty.

13 6. Neither Famsa nor Petitioner have paid any rent to Plaintiff
14 since November 2012, a period exceeding three years. Absolutely no
15 payments have been made on account of the Judgment awarded in April
16 2014 – over 19 months ago. See Pet. Appx. 0093-0099, Declaration of
17 Warren Kellogg, ¶¶ 4 & 5.

18 7. Three years later, and despite not seeing a dime from either
19 Famsa or Petitioner, Petitioner (and Famsa) continues to play games to delay
20 honoring its obligations following the breach of lease. Id., Declaration of
21 Kellogg, ¶4.

22 8. On August 7, 2015, Petitioner filed its Motion to Stay All
23 Proceedings Related to Grupo ("State Court Stay Motion"). See Pet. Appx.
24 0040-0046.

25 9. Plaintiff filed its opposition to the State Court Stay Motion on
26 August 10, 2015. See Plaintiff's Suppl. Appx., 0149-0168.

27 10. A hearing on Petitioner's state court Stay Motion was held on
28 August 11, 2015, at which time the state court denied Petitioner's State

1 Court Stay Motion (“Order Denying Stay”). See Pet. Appx., 0068-0069.

2 11. Given that Petitioner’s State Court Stay Motion was denied,
3 there was no need to address Plaintiff’s earlier request for a bond, or the
4 amount thereof.

5 12. Nevertheless, on August 14, 2015, Petitioner filed an
6 emergency motion for a stay with this Court (“Emergency Stay Motion”)
7 (Case No. 68626) and separately filed its Writ of Prohibition. See Plaintiff’s
8 Suppl. Appx., 0169-0183.

9 13. In the Emergency Stay Motion, Petitioner requested that all
10 proceedings be stayed while this Court decides Petitioner’s separately filed
11 Writ of Prohibition. Id., Emergency Stay Motion, p.3, ll 1-4.

12 14. On August 21, 2015, Plaintiff filed its opposition to the
13 Emergency Stay Motion on the following grounds:

14 a. Due process had been satisfied, which merely requires
15 notice and the opportunity to be heard;

16 b. Service of process need only satisfy the Hague
17 Convention and/or internal laws of Mexico (which Petitioner
18 conceded occurred), and not inconsistent state laws of Nevada;

19 c. Petitioner had failed to satisfy the standards for a stay –
20 an extraordinary remedy that should not be lightly granted;

21 d. There is no prejudice to Petitioner in having to defend
22 itself in this case since its attorneys are the exact same set of
23 attorneys intimately involved in representing its subsidiary – Famsa.

24 See Pet. Appx. 0074-0081.

25 15. Later that same day, the Supreme Court (Case No. 68626)
26 issued an order granting Petitioner a stay. See Pet. Appx. 0070-0073, Order
27 Granting Temporary Stay and Directing Answer (“Stay Order”).

28 16. In the Stay Order, the Nevada Supreme Court suggested that

1 the state court was in a better position to determine the amount of the bond
2 issued in connection with such stay given the state court's familiarity with
3 the underlying factual proceedings.

4 "The opposition requests that a bond of \$1,000,000 be required
5 as a condition of any stay. It is not clear whether the district
6 court has yet considered the proper amount of any supersedeas
7 bond. NRAP 8(a)(1)(B). We have routinely recognized that
8 the district court is better suited for making supersedeas bond
9 determinations. *See Nelson v. Heer*, 121 Nev. 832, 836, 122
10 P.3d 1252, 1254 (2005)."

11 See Pet. Appx. 0070-0073, Stay Order, ftnt. 1.

12 17. Thereafter, Plaintiff moved in state court to fix the amount of
13 the bond relating to the stay. See Pet. Appx. 0082-0087.

14 18. On November 10, 2015, the state court issued an Order Fixing
15 Supersedeas Bond in Connection with Temporary Stay ("Bond Order"). See
16 Pet. Suppl. Appx. 0134-0136.

17 III. STATEMENT OF LAW

18 A. The Standard for Review of the Bond Order is Whether the State
19 Court Manifestly Abused its Discretion.

20 The standard of review of a discretionary order (like a stay or bond
21 order) is measured against an "abuse of discretion" threshold. Round Hill
22 General Imp. Dist. V. Newman, 97 Nev. 601, 637 P.2d 534, 536 (1981)
23 ("Mandamus will not lie to control discretionary action, unless discretion is
24 manifestly abused or is exercised arbitrarily or capriciously.") (citations
25 omitted). This is an extremely difficult standard to overcome. In particular,
26 "an abuse of discretion occurs if the district court's decision is arbitrary or
27 capricious or if it exceeds the bounds of law or reason." Jackson v. State,
28 117 Nev. 116, 120, 17 P.3d 998, 1000 (2001); see also Schwartz v.
Schwartz, 126 Nev. 87, 91, 225 P.3d 1273, 1276 (2010) (under an abuse of

1 discretion standard, "we will not substitute our judgment for that of the
2 district court"). It is Petitioner's burden to show that the state court's ruling
3 was arbitrary or capricious or exceeded the bounds of law or reason.
4 Gragson v. Toco, 90 Nev. 131, 520 P.2d 616, 617 (1974) (burden of proof to
5 show an abuse of discretion is on applicant). "If a discretionary act is
6 supported by substantial evidence, there is no abuse of discretion." See
7 County of Clark v. Doumani, 114 Nev. 46, 952 P.2d 13 (1998) citing
8 Enterprise Citizens v. Clark Co. Comm'rs, 112 Nev. 649, 918 P.2d 305
9 (1996). "Substantial evidence is evidence which 'a reasonable mind might
10 accept as adequate to support a conclusion.'" Enterprise Citizens v. Clark
11 Co. Comm'rs, 112 Nev. 649, 918 P.2d 305, 308 (1996) citing State Emp.
12 Security v. Hilton Hotels, 102 Nev. 606, 608, 729 P.2d 497, 498 (1986).

13 IV. LEGAL ARGUMENT

14 A. NRAP 8(a)(2)(E) Grants the State Court Wide Discretion to Order a 15 Bond as a Condition of Petitioner's Stay Relief.

16 Following the denial of its Motion to Quash and a Writ of
17 Prohibition, Petitioner filed its *separate and distinct* Emergency Stay
18 Motion with this Court. See Plaintiff's Suppl. Appx. 0169-0183 and Pet.
19 Appx. 0047-0067. This Emergency Stay Motion was filed after denial of
20 Petitioner's similar stay request in state court. See Pet. Appx. 0068-0069.
21 On August 21, 2015, this Court entered the Stay Order. See Pet. Appx.
22 0070-0073. Despite having obtained the benefits of a stay, however,
23 Petitioner was not initially required to post any bond. As a result, Plaintiff
24 moved in state court to have the bond amount determined.

25 Pursuant to NRAP 8(a)(2)(E), a court has the absolute right to
26 condition the issuance of a stay upon the posting of a bond or other security.
27 In particular, NRAP 8(a)(2)(E) provides:

28 "The court may condition relief on a party's filing a bond or

1 other appropriate security in the district court.”

2 See NRAP 8(a)(2)(E). That is exactly what occurred here.

3 Petitioner elected to take the additional step of seeking a stay with
4 this Court. That additional step, however, has certain consequences and
5 costs – i.e., the posting of a bond or other security.

6 Further, it is irrelevant whether the bond is called simply a “bond,”
7 “liability bond,” “indemnification bond,” “judicial bond,” “supersedeas
8 bond,” or “security.” The term “supersedeas” was simply used by this Court
9 in its footnote 1 to the Stay Order. See Pet. Appx. 0070-0073. What truly
10 matters, is that under NRAP 8(a)(2)(E), the state court has considerable
11 latitude in determining the conditions attenuated to a stay, including broad
12 discretion to tailor such relief to safeguard the needs of Plaintiff during the
13 pendency of Petitioner’s writ.

14 B. The State Court Did Not Abuse its Discretion by Ordering a Bond
15 for \$1,000,000 as a Condition to Petitioner’s Stay Relief.

16 In reviewing the Stay Order, the Nevada Supreme Court provided its
17 initial guidance to the state court about the issuance of a bond. In particular,
18 the Nevada Supreme Court stated: “It is not clear whether the district court
19 has yet considered the **proper amount of any supersedeas bond.**” See
20 Stay Order, fnt 1 (*emphasis added*), Pet. Appx. 0070-0073. Implied in this
21 footnote, is the notion that a bond is appropriate and that the state court
22 merely needs to determine the amount of such bond. Petitioner failed to
23 introduce any evidence to counter the requested bond amount of \$1,000,000
24 (instead putting all of its eggs in one basket by claiming a bond is not
25 required despite having been issued a stay). Petitioner took this position
26 despite the language in NRAP 8(a)(2)(E), which clearly permits a court
27 latitude to condition the issuance of a stay upon the posting of a bond. See
28

1 NRAP 8(a)(2)(E) (“The court may condition relief on a party’s filing a bond
2 or other appropriate security in the district court.”).

3 Both the Bond Order and this state court Transcript (Pet. Appx.
4 0100-0118) contain substantial evidence to support the state court’s decision
5 to condition Petitioner’s stay of relief upon the posting of a bond.

6 As argued at the hearing on the bond motion and supported by un-
7 objected to evidence presented, Plaintiff introduced evidence of its damages
8 well in excess of \$1,000,000. For example, Plaintiff provided evidence of
9 the unappealed Judgment against Famsa, Petitioner’s subsidiary, in the
10 amount of \$882,683.71 (which Judgment is accruing interest as of April
11 2014). See Pet. Appx. 0014-0018. Moreover, unobjected to evidence was
12 presented to show that rent and other charges relevant to this current state-
13 court-action continue to accrue at a rate of approximately \$40,000 per
14 month. See Pet. Appx. 0100-0118, Transcript. Such rent and charges
15 amount to approximately \$708,000 (rent of \$40,000 from March 2014
16 through November 2015 – 21 months = \$840,000 minus \$132,000 (the
17 difference in rent from the new tenant, who started paying rent as of July
18 2015). Id. Further, this amount does not take into account the additional
19 damages incurred by Plaintiff relating to construction costs for the new
20 tenant, which are in excess of \$300,000. Petitioner is also liable to Plaintiff
21 for the prior Judgment issued against Famsa, as well as all rent and other
22 charges accruing in this case, pursuant to its Guaranty with Plaintiff. In
23 particular, the Guaranty states:

24 “Guarantor agrees that any judgment rendered against Tenant
25 for monies or performances due Landlord shall in every and all
26 aspects bind and be conclusive against Guarantor to the same
27 extent as if Guarantor had appeared in any such proceeding and
28 judgment herein had been rendered against Guarantor.”

1 See Guaranty, Plaintiff's Suppl. Appx. 0144-0148. This Guaranty language
2 was highly relevant to the state court's ruling.

3 Put simply, substantial evidence was introduced at the bond hearing
4 showing that Petitioner's liability to Plaintiff would be in excess of
5 \$2,000,000, even taking into account damages Plaintiff was able to mitigate
6 by re-leasing the subject premises. Given that bonds are often issued in
7 amounts 1 ½ times the amount of potential damages (to address attorney
8 fees and interest due to such delay), it was certainly reasonable and well
9 within the state court's broad discretion, to require Petitioner to post a bond
10 in the amount of \$1,000,000 as a condition to Petitioner's stay relief.

11 Further, each of these factual determinations and circumstances
12 were specifically reflected in the Bond Order. For example, the Bond Order
13 provides that its decision was based, in part, on the fact that Plaintiff had
14 already received an \$882,683.21 Judgment (which continues to accrue
15 interest since April 2014) against defendant Famsa, a company wholly
16 owned by Petitioner. See Pet. Suppl. Appx. 0134-0136, Bond Order, ¶C.
17 The Bond Order also reflects the fact that rent continues to accrue at
18 approximately \$40,000 per month (subject to offset for Plaintiff's mitigation
19 efforts), which at the time of the hearing on the bond motion was in excess
20 of \$700,000. Id., Bond Order, ¶C and Pet. Suppl. Appx. 0100-118,
21 Transcript. The fact that Petitioner was also subject to a Guaranty with
22 express language holding Petitioner absolutely liable for any judgment
23 obtained against its tenant (Famsa), "to the same extent as if [Petitioner] had
24 appeared in any such proceeding and judgment herein had been rendered
25 against [Petitioner]," was another circumstance the state court took into
26 account in rendering its decision to order a bond. See Pet. Suppl. Appx.
27 0134-0136, Bond Order, ¶E.

28 The evidence shows that the state court clearly gave consideration to

1 these facts and evidence. Such a determination cannot be held to be an
2 abuse of discretion by the state court when it conditioned Petitioner's stay
3 request upon the posting of a \$1,000,000 bond.

4 C. Plaintiff is and Continues to Suffer Harm as a Result of the Stay.

5 The bond was required, in part, to protect Plaintiff, as the
6 "prevailing party," in the state court proceedings following the denial of
7 Petitioner's motion to quash service and for the inevitable delay caused by
8 Petitioner's writ.

9 The ultimate issue in this case is the amount of damages Plaintiff is
10 entitled to following Famsa and Petitioner's breach of lease and guaranty.
11 Given that Famsa and Petitioner have identical attorneys and the damage
12 issue is the same as to both Famsa, as tenant, and Petitioner, as guarantor,
13 there was little or no harm to Petitioner in having this litigation proceed
14 without a stay. Further, Nevada courts have already held that "litigation
15 expenses, while potentially substantial, are neither irreparable nor serious."
16 Fritz Hansen A/S v. Dist. Ct., 6 P.3d at 982, 986-87, 116 Nev. 650 (2000);
17 see also Wisconsin Gas Co. v. F.E.R.C., 758 F.2d 669, 674 (D.C. Cir. 1985)
18 ("[m]ere injuries, however substantial, in terms of money, time and energy
19 necessarily expended in the absence of a stay are not enough" to show
20 irreparable harm). Nevertheless, a stay was issued.

21 As a result, Plaintiff is and continues to be harmed by the stay as it
22 has yet to be compensated following Famsa and Petitioner's breach of lease
23 and guaranty (no rent having been paid since November 2012 – over three
24 years). See Pet. Appx. 0093-0099, Declaration of Kellogg, ¶4. Further,
25 Famsa has indicated on numerous occasions that all of their assets are
26 encumbered by a loan made by Petitioner. This statement has been
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1 confirmed by Petitioner's recent pleadings filed in Texas.¹ Thus, Plaintiff's
2 only real chance of recovery in this matter is to obtain a judgment against
3 Petitioner. Plaintiff has also been prevented from taking any discovery
4 against Petitioner and obtaining a determination from the state court on
5 Petitioner's liability under the Guaranty. Thus, the stay of all proceedings
6 against Petitioner has and continues to frustrate Plaintiff's efforts to pursue
7 Petitioner for its obligations under the Guaranty, including the collection of
8 damages.

9 D. The Stay Order is Akin to a Restraining Order in Which a Bond or
10 Other Security is Required as a Condition to a Stay.

11 Despite Petitioner's argument to the contrary, the obtaining of a
12 monetary judgment is not the only circumstance when a bond may be
13 required.² Here, the order being appealed is not for the payment of money,
14

15 ¹ See Petitioner's Petition in Intervention and Verified Motion to Dissolve
16 Writ of Execution, which Plaintiff requests this Court take judicial notice of
pursuant to NRS 47.130(2)(b). See Plaintiff's Suppl. Appx. 0184-0257.

17 ² A prime example of the majority's error on this point is Wayne Alexander
18 Trust v. City of Bentonville, 345 Ark. 577, 47 S.W.3d 262 (2001). In
19 Wayne Alexander Trust, a court denied appellant's stay request of a circuit
20 court order approving a municipal ordinance and requiring the condemnation
21 of seven buildings because appellant had failed to file a supersedeas bond as
22 required under Rule 8 of the Arkansas Rules of Appellate Procedure. In
23 Breckenridge v. Givens, 344 Ark. 419, 39 S.W.3d 798 (2001), a stay was
24 granted upon an attorney's 3-month disciplinary suspension pending appeal
25 provided he posted a \$5,000 supersedeas bond to cover the cost of the
26 appeal. Neither situation involved a defendant attempting to halt an
27 execution on assets. Additional examples where courts required supersedeas
28 bonds in matters not involving the need to secure the payment of a judgment
following appeal include: First Nat'l Bank of IZard County v. Arkansas
State Bank Comm'r, 301 Ark. 1, 781 S.W.2d 744 (1989) (bank required to
post a supersedeas bond for a stay pending appeal of a circuit court order
approving a competitor bank's application to establish a new bank branch);
Jones v. Carney, 264 Ark. 405, 572 S.W.2d 585 (1978) (supersedeas bond

1 but instead relates to an order denying Petitioner's motion to quash service.
2 Thus, the traditional rules of NRCP 62(a) and 62(d) are not applicable.
3 Rather, NRAP 8 controls.

4 Further, there are other scenarios where bonds are required when
5 non-monetary matters are being appealed. For example, under NRCP 62(c),
6 a court has broad discretion to stay an "injunction" and require a bond to be
7 posted during the pendency of an appeal. See NRCP 62(c) ("when an
8 appeal is taken from an interlocutory or final judgment granting, dissolving,
9 or denying an injunction, the court in its discretion may suspend, modify,
10 restore, or grant an injunction during the pendency of an appeal *upon such*
11 *terms as to bond or otherwise as it considers proper for the security of the*
12 *rights of the adverse party*) (emphasis added). Bonds are also required as a
13 condition of the granting of an injunction under NRCP 65(c) or when a
14 defendant lives out-of-state under NRS 18.130 and NRS 69.010(2). Further,
15

16 posted to keep liquor store open pending appeal of circuit court order
17 reversing the Alcoholic Beverage Control Board's approval of appellant's
18 permit application); Duncan v. Crowder, 232 Ark. 628, 339 S.W.2d 310
19 (1960) (supersedeas bond posted in a child-custody case where appellants
20 sought a stay pending appeal of an order directing them to deliver custody of
21 child to appellee); Bradley v. Jones, 227 Ark. 574, 300 S.W.2d 1 (1957)
(supersedeas bond posted in election contest for a stay pending appeal of the
certification of the election).

22 As these cases graphically illustrate, supersedeas bonds are often necessary
23 to protect the interests of non-appealing parties in cases other than those
24 involving the scenario of an appeal following a money judgment against the
25 appellant. Take for example the First Nat'l Bank of IZARD County case.
26 There, First National Bank of IZARD County appealed a decision of the State
27 Banking Commissioner granting a competing bank a permit to establish a
28 branch bank in Calico Rock, which was the location of First National Bank's
principal bank. First National Bank was allowed to stay the decision pending
appeal but was required to post a supersedeas bond to protect Bank of North
Arkansas's potential economic loss occasioned by the delay.

1 under NRCP 62(g), the power of a court to condition stay relief is not
2 limited to existing judgments, but can be fashioned on a prospective
3 judgment. See NRCP 62(g) (the provisions of this rule do not limit any
4 power . . . to stay proceedings . . . or **to make any order appropriate to**
5 **preserve the status quo or the effectiveness of the judgment subsequently**
6 **to be entered.**”) (emphasis added). NRAP 8(a)(2)(E) also recognizes this
7 ostensibly broader range of discretion, affording courts the ability to take
8 action necessary to preserve or protect a parties’ rights pending a writ.

9 The cases cited by Petitioner to avoid the posting of a bond are
10 inapplicable to this situation, as such cases all relate to a bond determination
11 under NRCP 62, and not NRAP 8, which relates to writ proceedings.³
12 NRAP 8 specifically deals with a stay pending resolution of writ
13 proceedings. To permit Petitioner to avoid the posting of a bond yet still
14 obtain the benefits of a stay, especially without having to show why a
15 waiver of the bond requirement is justified, cannot and should not be
16 condoned. Plaintiff has been forced to forgo discovery as well as being
17 prevented from taking other action against Petitioner since issuance of the
18 stay. See Pet. Appx. 0093-0099, Kellogg Declaration, ¶6. Meanwhile, both
19 Petitioner and Famsa have been allowed to avoid paying rent and damages
20 to Plaintiff since October 2012 – 3 years and counting. It is entirely
21 appropriate to hold Petitioner accountable to Plaintiff by ordering Petitioner
22 to post a \$1,000,000 bond.

23 Additionally, the non-binding case cited by Petitioner of Beverly

24
25 ³ Nelson v. Heer, 121 Nev. 832, 122 P.3d 1252 (2005) (stay pending an
26 appeal of a judgment under NRCP 62); Quiroz v. Dickerson, 2013 WL
27 5947459 (D. Nev. Nov. 1, 2013) and Bemo USA Corp. v. Jake’s Crane,
28 Rigging & Transp. Int’l Inc., 2010 WL 4604496 (D. Nev. Nov. 5, 2010)
(both cases deal with a stay pending an “appeal” under NRCP 62, not a stay
request related to a writ of prohibition under NRAP 8(a)(2)(E)).

1 Enterprises-Arkansas, Inc. v. Circuit Court of Independence Cnty, 367 Ark.
2 13, 16, 238 S.W.3d 108, 110 (2006), is likewise inapplicable and
3 distinguishable to this case. In Beverly Enterprises, a lower court required
4 appellant to post a \$25,000,000 supersedeas bond before it could appeal an
5 order of class certification under Ark. R. Civ. P. 23. The appellant in that
6 case, however, had **not sought a stay**. Rather, the plaintiffs' (i.e., the
7 prevailing party) filed a motion for protection of the class members and a
8 bond during the pendency of the anticipated appeal by appellant. Id. at 109.
9 Appellant/Beverly Enterprises, however, did not seek the additional
10 protection of a stay but instead simply appealed the class certification order
11 under Ark. R. Civ. P. 2(a)(9). Id. at 110. Thus, it is not surprising that the
12 order directing Beverly Enterprises to post a bond was improper. *No stay*
13 *had been requested or even issued*. Further, the regular appeal process was
14 available. Thus, the Arkansas court simply did not have the power to grant a
15 bond unless appellant moved for a stay – which it did not. See also U.S. for
16 the Use of Terry Inv. v. United Funding, 800 F. Supp. 879 (E.D. Cal. 1992)
17 (“district court does not have the power to grant a supersedeas bond, except
18 and pursuant to appellant’s motion to stay.”).

19 E. Petitioner Filed Two Separate Pleadings: (1) Writ of Prohibition on
20 the Denial of its Motion to Quash; and (2) Stay Motion.

21 Petitioner was not required to seek the extraordinary remedy of a
22 stay but elected to do so. Such a stay, however, comes with associated costs
23 – the posting of a bond. The bond issued by the state court was issued to
24 protect Plaintiff from wrongful enjoinder by the stay as well as all loss
25 occasioned by delay. Having reaped the benefits of a stay, Petitioner must
26 now recognize the costs.

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V. CONCLUSION

The petition for a writ of mandamus should be denied. Petitioner has shown no grounds for this extraordinary relief. Petitioner's writ should not be used to manipulate the formalities of state court procedure and undermine the substance of Plaintiff's recovery, especially here where the Bond Order was supported by substantial evidence.

DATED this 17th day of November, 2015.

GOOLD PATTERSON

By: 
Kelly J. Brinkman, Esq.
Nevada Bar No. 6238
1975 Village Center Circle, Suite 140
Las Vegas, Nevada 89134
Telephone: (702) 436-2600
Email: kbrinkman@gooldpatterson.com
*Attorneys for Real Party in
Interest/Plaintiff*

CERTIFICATE OF COMPLIANCE

1. I hereby certify that this answering brief complies with the formatting requirements of NRAP 32(a)(4), the typeface requirements of NRAP 32(a)(5) and the type style requirements of NRAP 32(a)(6) because this answering brief has been prepared in a proportionally spaced typeface using Microsoft Word 2010 Times New Roman 14-point font.

2. I further certify this answering brief complies with the page or type-volume limitations of NRAP 32(a)(7)(ii). Excluding the parts of the brief exempted by NRAP 32(a)(7)(C), it is proportionately spaced, has a typeface of 14 points and contains 4,135 words, and does not exceed 30 pages.

3. I hereby certify that I have read this answering brief, and to the best of my knowledge, information, and belief, it is not frivolous or interposed for any improper purpose. I further certify that this answering brief complies with all applicable Nevada Rules of Appellate Procedure, in particular NRAP 28(e)(1), which requires every assertion in the brief regarding matters in the record to be supported by a reference to the page and volume number, if any, of the transcript or appendix where the matter relied on is to be found. I understand that I may be subject to sanctions in the event that the accompanying brief is not in conformity with the requirements of the Nevada Rules of Appellate Procedure.

DATED this 17th day of November, 2015.

GOOLD PATTERSON

By: 
Kelly J. Brinkman, Esq.
Nevada Bar No. 6238
1975 Village Center Circle, Suite 140
Las Vegas, Nevada 89134
Telephone: (702) 436-2600
Email: kbrinkman@gooldpatterson.com
*Attorneys for Real Party in
Interest/Plaintiff*

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PROOF OF SERVICE

I hereby certify that I am an employee of the law firm of Goold Patterson, and on the 17th day of November, 2015 I caused the foregoing ANSWER TO WRIT OF MANDAMUS to be served by submission to the electronic filing system (as a registered user) for the Supreme Court of Nevada, to the email address on file, as follows:

TO: Christopher Byrd, Esq.
FENNEMORE CRAIG, P.C.
cbyrd@fclaw.com
Attorneys for Petitioner and Defendant

I further certify on the 17th day of November, 2015 I served the foregoing ANSWER TO WRIT OF MANDAMUS by enclosing a true and correct copy of the same in a sealed envelope, postage fully pre-paid thereon, and depositing said envelope in a mailbox of the United States Post Office, addressed as follows:

TO: Christopher Byrd, Esq.
FENNEMORE CRAIG, P.C.
300 S. Fourth Street, Suite 1400
Las Vegas, NV 89101
Attorneys for Petitioner and Defendant

TO: District Court Judge Rob Bare
Department 32
Regional Justice Center
200 Lewis Avenue
Las Vegas, NV 89155
Respondent


An employee of Goold Patterson