



Supreme Court of California

JORGE E. NAVARRETE
CLERK AND EXECUTIVE OFFICER
OF THE SUPREME COURT

EARL WARREN BUILDING
350 MCALLISTER STREET
SAN FRANCISCO, CA 94102
(415) 865-7000

July 29, 2025

SENT VIA EMAIL

Rick Siegel
22971 Darien Street
Woodland Hills, CA 91364
Rick@Marathonentco.com

Re: Siegel v. Salazar – B346968

Dear Mr. Siegel:

We hereby return unfiled your petition for review. A check of the Court of Appeal docket indicates that the petition transfer of a case within the appellate jurisdiction of the Superior Court in the above referenced matter was denied on July 18, 2025.

Pursuant to California Rules of Court, rule 8.500(a)(1), a party may file a petition in the Supreme Court for review of any decision of the Court of Appeal, including any interlocutory order, except the denial of a transfer of a case within the appellate jurisdiction of the superior court. Pursuant to California Rules of Court, rule 8.1018(a), the Court of Appeal order denying transfer was final immediately and cannot be reviewed. Without jurisdiction, this court is unable to consider your request for legal relief.

Sincerely,

JORGE E. NAVARRETE
Clerk and
Executive Officer of the Supreme Court

PT

By: P. Tang, Assistant Deputy Clerk

Enclosure

cc: Jude Salazar, Defendant and Respondent

Rec.

Supreme Court of California
Jorge E. Navarrete, Clerk and Executive Officer of the Court
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IN THE COURT OF APPEAL OF THE STATE OF CALIFORNIA

SECOND APPELLATE DISTRICT

COURT OF APPEAL - SECOND DIST.

DIVISION FIVE

F I L E D

Jul 18, 2025

EVA McCLINTOCK, Clerk

Kdominguez Deputy Clerk

RICK SIEGEL,

Plaintiff and Appellant,

v.

JUDE SALAZAR,

Defendant and
Respondent.

B346968

(Super. Ct. No. 22STLC04635)

(App. Div. No. 24APLC0044)

(Patti Jo McKay, Sanjay Kumar,
Kimberley Guillemet, Judges)

O R D E R

THE COURT:

The court has read and considered the petition for transfer filed June 16, 2025. The petition is denied. Appellant fails to demonstrate that "transfer is necessary to secure uniformity of decision or to settle an important question of law." (Cal. Rules of Court, rule 8.1002.)

BAKER, Acting P.J.

MOOR, J.

KIM (D.), J.

FILED

Superior Court of California
County of Los Angeles.

MAY 07 2025

David W. Stayton, Executive Officer/
Clerk of Court
By: A Barton. Deputy

APPELLATE DIVISION OF THE SUPERIOR COURT
STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

RICK SIEGEL,
Non-Party and Appellant,
v.
JUDE SALAZAR,
Defendant and Respondent

24APLC00044
Stanley Mosk Trial Court
No. 22STLC04635

ORDER

On May 23, 2025 (16 days after the court sent its opinion to the parties), non-party and appellant Rick Siegel filed a "Motion for Reconsideration/Petition for Transfer." The motion for reconsideration is treated as a petition for rehearing (Cal. Rules of Court, rule 8.889) and is denied as untimely and without merit. The petition for transfer is treated as an application to certify the case for transfer to the Court of Appeal (Cal. Rules of Court, rule 8.1005(b)(1)(A)) and is denied, as it is untimely and does not establish transfer is necessary to secure uniformity of decision, or to settle an important question of law (Cal. Rules of Court, rule 8.1005(a)(1)).

Kumar, J.

P. McKay, P. J.

Gulilenet, J.

FILED

Superior Court of California
County of Los Angeles.

MAY 07 2025

David W. Stayton, Executive Officer/
Clerk of Court
By: A Barton. Deputy

APPELLATE DIVISION OF THE SUPERIOR COURT
STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

RICK SIEGEL,
Non-Party and Appellant,
24APLC00044
Stanley Mosk Trial Court
No. 22STLC04635

JUDE SALAZAR,
Defendant and Respondent.

Appellant Rick Siegel, who purchased the claims of plaintiffs Diane Pardoe and Sarah Pardoe,¹ appeals the judgment of dismissal on res judicata and collateral estoppel grounds of plaintiffs complaint against defendant and respondent Jude Salazar (Salazar) for breach of written contract and declaratory relief under the Labor Code and the United States Constitution. Appellant raises two arguments in support of his appeal: first, the related case relied on by the trial court to determine the instant action was res judicata was an appeal of a Labor Commissioner determination which should have been decided *de novo* but was instead summarily disposed of in a two-sentence affirmance; and second, even if the principles of res judicata applied to dispose of the breach of contract claim, the same was not true for the

⁵ Plaintiffs are also referred to herein as "the Pardoes." declaratory relief claim.
⁶ As explained below, we affirm the order dismissing the action and the judgment of
⁷ dismissal entered thereon as to the breach of contract claim, and we dismiss as outside of
our jurisdiction the appeal of the judgment as to the declaratory relief claim (Code Civ.
Proc., § 904.2).²

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BACKGROUND³

The Pardoes offer services as "personal managers" through their company, Iris Talent Management (Iris Talent). In 2021, Salazar entered into a management agreement, agreeing to pay Iris Talent 15 percent of all gross income from acting jobs procured or facilitated by Iris Talent and 10 percent of all acting jobs procured by an agent or Salazar herself. Thereafter, Salazar notified Iris Talent to terminate the agreement, but the Pardoes insisted she was bound by the contract until she paid money due under the agreement.

10 | //

15 Salazar's request at oral argument that sanctions be imposed against Siegel does
16 not comply with the requirement that a party seeking sanctions file a motion (Cal. Rules of
Court, rule 8.891(e)). It is therefore denied.

³The facts and procedures laid out in this section are taken from the record on appeal in this case (i.e., appellant's appendix) and from the nonpublished Court of Appeal opinion in a related case involving the same parties and dispute (*Pardoe v. Salazar* (Jan. 16, 2025, B336831) [2025 Cal.App.Unpub. LEXIS 241]), to the extent they are supported by or not inconsistent with the appellant's appendix and relevant to this appeal.

1 On July 12, 2022, the Pardoes filed the instant breach of
2 contract action against Salazar. The following week, on July 19,
3 2022, Salazar filed a petition with the Labor Commissioner against
4 the Pardoes, individually and doing business as Iris Talent,
5 alleging they engaged in unlawful procurement in violation of the
6 California Talent Agencies Act (TAA) (Lab. Code, §1700 et seq.)
7 and that, as a result, the management agreement was void (the
8 Labor Commissioner proceeding).

9 The Pardoes filed an amended complaint for breach of
10 contract, adding claims for declaratory relief as to whether the
11 TAA, on its face and as applied, violated provisions of the federal
12 Constitution.

13 On October 20, 2022, the trial court granted a motion by
14 Salazar to stay the breach of contract action, finding the Labor
15 Commissioner had exclusive original jurisdiction to determine
16 claims within the scope of the TAA.

17 In its decision issued on February 17, 2023, the Labor
18 Commissioner "noted the issues raised were: whether Iris procured
19 entertainment engagements without a talent agency license;
20 whether the Labor Commissioner could award a remedy for
21 unlicensed procurement, including voiding the contract or severing
22 provisions; and whether the appropriate remedy was to void the
23 contract." (*Pardoe v. Salazar, supra*, B336831 [2025 Cal.App.
24 Unpub. LEXIS 241 at pp. *3-4].) The Labor Commissioner found
25 the Pardoes had operated as a talent agency within the meaning of
26 the TAA by procuring employment for Salazar. (*Ibid.*) Under
27 binding legal precedent, the management agreement was unlawful
28 and could be declared void based on the remedies in the Civil
Code. (*Ibid.*) Severability did not apply, as the Pardoes conceded,
so the contract was void. (*Ibid.*) The Labor Commissioner ordered
the Pardoes to disgorge profits of \$8,713.74. (*Ibid.*)

29 The Pardoes appealed the Labor Commissioner's decision
30 to the trial court for a trial de novo (the Labor Commissioner
31 appeal) (L.A. Superior Court case No. 23STCP00683).

⁴Where necessary for clarity and to avoid confusion with the Labor Commissioner proceeding or appeal (also referred to herein), the instant breach of contract action may also be referred to as the instant action or the breach of contract action.

(*Pardoe v. Salazar*, *supra*, B336831 [2025 Cal.App.Unpub. LEXIS 241 at p. *4].) The trial court found the Labor Commissioner appeal and the breach of contract action were related cases. (*Ibid.*)

7 In a trial brief filed by the Pardoes in the Labor
8 Commissioner appeal, they conceded they were personal managers
9 who procured employment for Salazar without a talent agency
10 license. (*Pardoe v. Salazar, supra*, B336831 [2025 Cal. App.
11 Unpub. LEXIS 241 at p. *4].) But, they argued the TAA does not
12 give the Labor Commissioner authority to void contracts by people
13 who procure employment without a talent agency license. (*Ibid.*)
14 Specifically, they claimed there was no penalty provision
15 contained in the TAA, the Civil Code could not supply the penalty,
16 the TAA was unconstitutionally vague because it did not define
17 "procurement" and did not provide sufficient notice of the penalty
18 contained in the Civil Code, and the penalty of disgorgement was
excessive. (*Ibid.*) Salazar filed a trial brief based on "well-
established case law" rejecting the Pardoes' arguments. (*Ibid.*)

18 The parties agree there was a hearing in the trial court on
19 November 9, 2023, on the Labor Commissioner appeal. (*Pardoe v.*
20 *Salazar, supra*, B336831 [2025 Cal.App.Unpub. LEXIS 241 at p.
21 *5].) They disagree about whether the hearing constituted the
22 required "trial de novo" and whether the parties were given an
23 opportunity to argue the merits of the appeal, but they agree the
trial court took the matter under submission. (*Ibid.*)

24 The court files for the instant appeal contains a "notice of
25 assignment" stating that on November 15, 2023, the Pardoes
26 assigned all claims, demands, and causes of action against Salazar
27 to Siegel in exchange for payment of \$9,000 and a percentage of
28 certain recovery in the breach of contract action. The notice of
assignment is not file-stamped by the trial court.

1 On January 5, 2024, the trial court in the Labor
2 Commissioner proceedings affirmed the decision of the Labor
3 Commissioner and entered judgment against the Pardoes in the
4 amount of \$8,713.74, plus interest from the date of judgment.
(*Pardoe v. Salazar, supra*, B336831 [2025

5 ⁵In support of his supplemental brief submitted in response to this court's letter
6 under Government Code section 68081 requesting additional briefing (see fn. 2, ante),
7 Siegel filed a request to supplement the trial court record with copies of the referenced
documents.

8
9 Cal.App.Unpub. LEXIS 241 at p. *5].) This judgment was
10 appealed to the Court of Appeal in the notice of appeal filed on
11 February 5, 2024 (see post).

12 At a hearing held on January 8, 2024, the trial court
13 declined to recognize Siegel as a party to the action because no
14 motion had been made to substitute a real party in interest. The
15 court explained to the Pardoes that they could not assign their
16 liabilities to another party. The court also explained that a motion
17 had to be made to substitute Siegel. The court issued an order to
18 show cause regarding dismissal of the instant breach of contract
19 action based on claim or issue preclusion (i.e., res
judicata/collateral estoppel) following the January 5, 2024
judgment in the Labor Commissioner appeal.

20 The Pardoes filed an answer to the order to show cause
21 arguing that the January 5, 2024 judgment had not addressed their
22 contentions explicitly, and the amended complaint added
23 constitutional challenges to the TAA. (*Pardoe v. Salazar, supra*,
24 B336831 [2025 Cal. App. Unpub. LEXIS 241 at p. *6].) On
January 16, 2024, the Pardoes filed a motion for reconsideration of
the judgment in the Labor Commissioner appeal. (*Ibid.*)

25 A hearing was held on January 23, 2024, on the Pardoes'
26 motion for reconsideration, as well as on an ex parte application
27 for substitution. The trial court allowed Siegel to appear and
28 present argument in the breach of contract action as a real party in
interest but noted no amended pleading had been filed adding him

1 in place of the named plaintiffs. The Pardoes continued to be
2 nominal plaintiffs, and Siegel was limited to addressing res
3 judicata and related issues. Siegel maintained there were
4 constitutional issues raised by the amended complaint that were
5 not adjudicated in the Labor Commissioner appeal and remained
for determination in the breach of contract action.

6 The court granted the order to show cause regarding
7 dismissal of the breach of contract action, concluding that the
8 issues had been adjudicated between the same parties in the related
9 action. The judgment in the Labor Commissioner appeal barred the
10 breach of contract action. The trial court dismissed the breach of
contract action with prejudice. The court also denied the motion
for reconsideration.

11 ///

12 On February 5, 2024, Siegel filed a notice of appeal in the
13 Labor Commissioner proceeding, listing himself as
14 "assignee/interested party" and stating he was appealing from
orders entered on January 4 and January 23, 2024. (*Pardoe v.*
15 *Salazar, supra*, B336831 [2025 Cal.App. Unpub. LEXIS 241 at p.
16 *7].) The appellate court construed the appeal as having been
17 taken from the January 5, 2024 judgment. (*Ibid.*) In the
18 nonpublished opinion issued on January 16, 2025, the Court of
Appeal concluded the record was inadequate to permit review but
19 that "all of the issues raised on appeal have been previously
20 determined in well-reasoned, well-settled case law" and on that
21 basis affirmed. (*Pardoe v. Salazar, supra*, B336831 [2025
22 Cal.App. Unpub. LEXIS 241 at pp. *1-2].)

23 Siegel filed a notice of appeal in the instant case on
24 February 9, 2024, again listing himself as "assignee/interested
25 party," and stating he was challenging the judgment entered on
January 26, 2024.

26

27

28

DISCUSSION

Standing

3 In his notice of appeal from the January 26, 2024
4 judgment, appellant describes himself as "assignee/interested
5 party." The judgment itself states simply that the complaint of
6 Diane Pardoe and Sarah Pardoe is dismissed with prejudice; the
7 caption uses the original nomenclature to identify the case-i.e.,
8 Diane Pardoe and Sarah Pardoe vs. Jude Salazar. Nonetheless, as
9 noted above, Siegel (and the Pardoes) did file an ex parte
10 application to substitute Siegel in the trial court proceedings as
11 "party plaintiff," which he supported with declarations from
12 himself and the Pardoes, along with copies of a notice of
13 assignment and agreement of assignment of claims signed by
14 himself and the Pardoes on November 15, 2023. The minute order
15 for the January 23, 2024 hearing indicates the ex parte application
was before the court at that time and that, although apparently not
ruled on, Siegel was eventually permitted to argue in opposition to
dismissal of the action on res judicata and related grounds.

19 Substitution of parties in an appeal or original proceeding
20 in the appellate division must be made by serving and filing a
21 motion in the appellate division. (Cal. Rules of Court, rule
22 8.814(a); see also *Kaney v. Custance* (2022) 74 Cal. App. 5th 201,
23 204, fn. 2 [referencing the corresponding procedure for an
24 unlimited civil appeal to the Court of Appeal, under California
Rules of Court, rule 8.36(a).]) That did not happen here.

Nonetheless, "[w] here a party transfers his interest in an action after the action has been commenced and before judgment *the transferee is the proper party to appeal* and not the transferor, since the latter has no further interest in the action. [Citation.]" (*Fox v. Shorter* (1957) 153 Cal.App.2d 155, 156, italics added.)

1 Indeed, per Code of Civil Procedure section 368.5, "[a]n action or
2 proceeding does not abate by the transfer of an interest in the
3 action or proceeding or by any other transfer of an interest. The
4 action or proceeding may be continued in the name of the original
5 party, or the court may allow the person to whom the transfer is
6 made to be substituted in the action or proceeding." But either
7 way, it is the transferee, at that point, who controls the action. (*See*
8 *Hearn Pacific Corp. v. Second Generation Roofing, Inc.* (2016)
9 247 Cal. App.4th 117, 134 (*Hearn*).)

10 To explicate further, under case law construing Code of
11 Civil Procedure section 368.5, "trial courts have discretion to
12 allow litigation to continue in the name of the original plaintiff
13 rather than substitute the transferee. [Citation.] But the transfer of
14 a party's interest in the subject of an action transfers the right to
15 control the action. [Citations.] And if the action does continue in
16 the original party's name, the original party remains as only a
17 nominal party whereas the real party in interest is the transferee.
18 [Citations.]" (*Hearn, supra*, 247
19 Cal.App.4th at pp. 133-134.) Siegel having been permitted to
20 appear in trial court proceedings in this matter and argue the
21 subject of the instant appeal, even as litigation was allowed to
22 continue in the names of the original plaintiffs as nominal parties
23 (see *Ibid.*), we find appellant's standing as the real party in interest
24 established for purposes of the appeal.⁷

25

⁷In the challenge to the trial court's order affirming the Labor Commissioner's
26 ruling, the Court of Appeal acknowledged appellant "purchased the claims of respondents
27 Diana [sic] Pardoe and Sarah Pardoe"; it also identified appellant as "intervenor and
28 appellant" in the caption. (*Pardoe v. Salazar, supra*, B336831 [2025 Cal.App.Unpub.
LEXIS 241 at p. *1].)

29 ***Appealability of Dismissal of Plaintiffs' Declaratory Relief Claim***
30 The jurisdiction of this court is limited to appeals in
31 limited civil cases. (Code Civ. Proc., § 904.2.) A case is classified
32 as an unlimited civil action by default, unless the statutory
33 requirements are satisfied to classify the case as a limited action.
34 (*Stratton v. Beck* (2017) 9 Cal.App.5th 483, 493.) "In addition to
35 the upper limit on monetary recovery, limited civil cases are

1 subject to restrictions on the types of... declaratory relief
2 available,..." (*Id.* at p. 492.)

3 Specifically, an action is a limited civil case only if (1) the
4 amount in controversy does not exceed \$35,000, (2) the relief
5 sought is a type that may be granted in a limited civil case, and (3)
6 the relief sought, whether in the complaint, a cross-complaint or
7 otherwise, is exclusively of a type described in one or more
8 statutes that classify an action as a limited civil case, including, but
9 not limited to Code of Civil Procedure section 86. (Code Civ.
10 Proc., § 85, subds. (a)-(c).) Relief may not be granted in excess of
11 the maximum amount in controversy for limited civil, and
12 declaratory relief is not permitted except as authorized by Code of
13 Civil Procedure section 86. (Code Civ. Proc., § 580, subd. (b) (1),
14 (4); see also *AP-Colton LLC v. Ohaeri* (2015) 240 Cal.App.4th
15 500, 505.)

16 Code of Civil Procedure section 86 provides that an action
17 for declaratory relief constitutes a limited civil case only if it is
18 brought under either of two circumstances: (1) by way of cross-
19 complaint as to a right of indemnity with respect to the relief
20 demanded in the complaint or a cross-complaint in an action that is
21 otherwise a limited civil case; or (2) to conduct a trial after a
22 nonbinding fee arbitration between an attorney and client where
23 the amount in controversy is \$35,000 or less. (Code Civ. Proc., §
24 86, subd. (a)(7).)

25 Here, the declaratory relief sought in plaintiffs' amended
26 complaint, as to whether the TAA, on its face and as applied,
27 violated provisions of the federal Constitution, is not of a type that
28 could be granted in a limited civil case. (Code Civ. Proc., §§ 85,
subd. (c)(4), 86, subd. (a)(7), 580, subd. (b)(4).) As a result, the
case should have been reclassified, as a matter of law, as an
unlimited civil action under Code of Civil Procedure section
403.020. (See also Code Civ. Proc, § 88; *Stratton v. Beck*, *supra*, 9
Cal. App.5th at p. 492 ["the statutory scheme contains a broad
catchall definition of 'unlimited' civil actions, designating them as
all actions and proceedings other than limited civil actions"].) It
was not reclassified, however, and continued to be "treated" as a

1 limited civil case, however erroneously. (See *Ibid.* [pursuant to
2 Code of Civil Procedure "section 85, a proceeding may not be
3 treated as a limited civil action unless all of the [aforementioned]
conditions are satisfied"].)

4 In any event, because our jurisdiction is limited to appeals
5 in limited civil cases (Code Civ. Proc., § 904.2), we have no
6 jurisdiction over the appeal from the judgment of dismissal as to
7 the declaratory relief claim.⁸

7 ***Appeal of Dismissal of Plaintiffs' Breach of Contract Claim***

9 **Remaining Contention on Appeal**

10 Siegel argues the judgment of dismissal entered on
January 26, 2024, should be reversed because it was based on an
11 erroneous ruling by the trial court that plaintiffs' breach of contract
12 action was res judicata as a result of the Labor Commissioner's
13 determination, which was affirmed in the related Labor
14 Commissioner appeal. Specifically, Siegel maintains the court
15 erred because the Labor Commissioner appeal should have been
decided *de novo* but was not.

16 **The Talent Agencies Act**

17 A person or corporation who engages in the occupation of
18 procuring employment or engagements for an artist, other than
recording contracts, is a "talent agency." (Lab. Code, § 1700.4,
19 subd. (a).) "No person shall engage in or carry on the occupation
20 of a talent agency without first procuring a license therefor from
the Labor Commissioner." (Lab. Code, § 1700.5.) For the purposes
21 of the TAA, "person" is defined to include "any individual,
22 company, society, firm, partnership, association, corporation,
23 limited liability company, manager, or their agents or employees."
(Lab. Code, § 1700.)

25

26 _____
27 ⁸We do not transfer the case to the Court of Appeal pursuant to Code of Civil
Procedure section 396, subdivision (b). Pursuant to Code of Civil Procedure section 904.1,
subdivision (a), the Court of Appeal does not have jurisdiction over appeals from judgments
28 or orders in limited civil cases.

1 The TAA "regulates conduct, not labels; it is the act of
2 procuring (or soliciting), not the title of one's business, that
3 qualifies one as a talent agency and subjects one to the Act's
4 licensure and related requirements. [Citation.] Any person who
5 procures employment any individual, any corporation, any
6 manager-is a talent agency subject to regulation. [Citations.]
7 Consequently, as the Courts of Appeal have unanimously held, a
8 personal manager who solicits or procures employment for his
9 artist-client is subject to and must abide by the Act." (*Pardoe v.*
10 *Salazar, supra*, B336831 [2025 Cal.App.Unpub. LEXIS 241 at p.
11 *8], quoting *Marathon Entertainment, Inc. v. Blasi* (2008) 42
12 Cal.4th 974, 986, fn. omitted (*Marathon*).)

13 As the Court of Appeal observed in *Pardoe v. Salazar*, the
14 TAA does not itself specify a remedy for illegal procurement.
15 (*Pardoe v. Salazar, supra*, B336831 [2025 Cal.App.Unpub.
16 LEXIS 241 at p. *9], quoting *Marathon*, *supra*, 42 Cal.4th at p.
17 991.) Applying ordinary rules of interpretation, however, it is clear
18 that, under Civil Code sections 1598 and 1599 and the TAA,
19 "when an unlicensed party procures employment for an artist in
20 violation of the TAA, the parties' contract is void ab initio and the
21 party procuring the employment is barred from recovering
22 commissions for any activities under the contract, unless the
23 unlawful provisions are severable." (*Pardoe v. Salazar, supra*,
24 B336831 [2025 Cal.App. Unpub. LEXIS 241 at p. *9], quoting
25 *Marathon*, *supra*, 42 Cal.4th at pp. 990-991; see also *Yoo v. Robi*
26 (2005) 126 Cal.App.4th 1089, 1103-1104 [same].) "Where a
27 contract has but a single object, and such object is unlawful,
28 whether in whole or in part, . . . the entire contract is void." (Civ.
Code, § 1598.) "Where a contract has several distinct objects, of
which one at least is lawful, and one at least is unlawful, in whole
or in part, the contract is void as to the latter and valid as to the
rest." (Civ. Code, § 1599.)

29 Per Labor Code section 1700.44, subdivision (a), the
30 Labor Commissioner has jurisdiction to hear issues arising under
31 the TAA, subject to an appeal filed with the trial court, which is
32 heard de novo.

1 Inadequate Record

2 Appealed judgments are presumed to be correct and ""[a]ll
3 intendments and presumptions are indulged to support it on
4 matters as to which the record is silent, and error must be
5 affirmatively shown." (Denham v. Superior Court (1970) 2 Cal.3d
6 557, 564.) The party appealing the judgment has the burden of
7 overcoming the presumption of correctness and, therefore, must
8 provide an adequate record that demonstrates the alleged error.
9 (Jameson v. *Desta* (2018) 5 Cal.5th 594, 608-609.) Failure to do so
10 requires the appellate issue to be resolved against the appellant.
11 (*Maria P. v. Riles* (1987) 43 Cal.3d 1281, 1295-1296.) Under
12 California Rules of Court, rule 8.830(a)(2), "[i]f an appellant wants
13 to raise any issue that requires consideration of the oral
14 proceedings in the trial court, the record on appeal must include a
15 record of these oral proceedings in the form of one of the
16 following: [1] (A) A reporter's transcript under rule 8.834 or a
17 transcript prepared from an official electronic recording under rule
18 8.835; [1] (B)... an official electronic recording of the proceedings
19 under rule 8.835; [1] (C) An agreed statement under rule 8.836; or
20 [1] (D) A settled statement under rule 8.837." No such record was
21 provided here.

22 Appellant's Appendix includes copies of the Pardoes'
23 complaint and amended complaint; Salazar's petition to determine
24 controversy filed with the Labor Commissioner; the January 23,
25 2024 minute order dismissing the breach of contract action, with
26 prejudice, as barred by the principles of res judicata and collateral
27 estoppel; and the January 26, 2024 judgment of dismissal entered
28 thereon. Not included are copies of the Labor Commissioner's
determination or any relevant trial court orders pertaining to the
Labor Commissioner appeal in the related case.

29 Similarly, although we have before us several transcripts
30 of oral proceedings in the instant case, including the January 23,
31 2024 order to show cause hearing that resulted in the case being
32 dismissed, we are without transcripts of any proceedings relevant
33 to the Labor Commissioner appeal. To the extent appellant's
34 appeal here rests on persuading us that the judgment of dismissal

1 must be reversed because it is linked to the deprivation of a trial de
2 novo in the Labor Commissioner appeal, the lack of a reporter's
3 transcript or other record of the relevant oral proceedings is likely
4 fatal.⁹

5 ///

6 _____
7 ⁹To the extent appellant makes any standalone argument that the trial court
8 improperly ruled on the appeal from the Labor Commissioner's decision, we lack
9 jurisdiction to address any issues raised and, on that basis, summarily reject them. (See
10 Code Civ. Proc., § 904.1, subd. (a) [appeal, other than in a limited civil case, is to the Court
11 of Appeal]; see also *Corrales v. Bradstreet* (2007) 153 Cal.App.4th 33, 60 [trial court's trial
12 de novo judgment is appealable to the Court of Appeal].)

13 ***Res Judicata and Collateral Estoppel***

14 **Relevant Law**

15 """Res judicata" describes the preclusive effect of a final
16 judgment on the merits. Res judicata, or claim preclusion, prevents
17 relitigation of the same cause of action in a second suit between
18 the same parties or parties in privity with them.... [Citation.] Under
19 the doctrine of res judicata, if a plaintiff prevails in an action, the
20 cause is merged into the judgment and may not be asserted in a
21 subsequent lawsuit; a judgment for the defendant serves as a bar to
22 further litigation of the same cause of action. [Citation.]" (*Assn. of Irritated Residents v. Dept. of Conservation* (2017) 11 Cal.App. 5th 1202, 1218-1219, fn. omitted.) Claim preclusion arises if a
23 second suit involves: (1) the same cause of action (2) between the
24 same parties (3) after a final judgment on the merits in the first
25 suit. [Citations.]" (*DKN Holdings LLC v. Faerber* (2015) 61
26 Cal.4th 813, 824.)

27 "Collateral estoppel 'precludes relitigation of issues argued
28 and decided in prior proceedings. [Citations.]' (*Ayala v. Dawson* (2017) 13 Cal.App.5th 1319, 1326.) To apply, the issue sought to
 be precluded from relitigation must have been actually litigated in
 the first action; there must be a final judgment on the merits; and
 the party against whom the preclusion is sought must be the same
 party or in privity with the party in the first case. (*Ibid.*) In order
 for issue preclusion to apply, the following requirements must be

1 satisfied. "First, the issue sought to be precluded from relitigation
2 must be identical to that decided in a former proceeding. Second,
3 this issue must have been actually litigated in the former
4 proceeding. Third, it must have been necessarily decided in the
5 former proceeding. Fourth, the decision in the former proceeding
6 must be final and on the merits. Finally, the party against whom
7 preclusion is sought must be the same as, or in privity with, the
8 party to the former proceeding.

9 [Citations.]" (*Lucido v. Superior Court* (1990) 51 Cal.3d 335,
10 341.)

11 ///

12 Analysis

13 The parties do not dispute that the instant action involves
14 the same claim, between the same parties, 10 which the record
15 shows was litigated to a final judgment in the Labor Commissioner
16 determination that was affirmed on appeal. Rather, Siegel argues
17 that the Labor Commissioner appeal, which was required to have
18 been decided in a trial de novo, was instead summarily disposed of
19 in a two-sentence affirmation. There are several problems with this
20 argument. First, even assuming the entirety of the court's written
21 affirmation consisted of two sentences, this does not mean the
22 judgment was not on the merits (as reflected in the affirmation of
23 the Labor Commissioner's determination) or even that the
24 affirmation was not the result of a trial de novo. In any case,
25 Siegel's failure to include the trial court order affirming the Labor
26 Commissioner's determination¹¹ in the Appellant's Appendix
27 results in a record that is inadequate to demonstrate the affirmation
28 fell short in some way that constituted error or that the trial court
erred in entering a judgment of dismissal. (*Denham v. Superior
Court, supra*, 2 Cal.3d at p. 564.)

29 Second, in the absence of a reporter's transcript or other
30 record of the November 9, 2023 proceedings in the Labor
31 Commissioner appeal, we must presume the court followed the
32 law and conducted the required trial de novo. "In the absence of a
33 contrary showing in the record, all presumptions in favor of the

1 trial court's action will be made by the appellate court. "[I]f any
2 matters could have been presented to the court below which would
3 have authorized the order complained of, it will be presumed that
4 such matters were presented."¹⁰ [Citation.]" (*Jameson v. Desta, supra*, 5 Cal.5th at p. 609.)

5
6 ¹⁰Indeed, while Siegel appears to complain at one point that this state came about
7 as a result of Salazar "infus[ing] the Talent Agencies Act into the original breach of contract
action," he does not otherwise challenge the proposition that the two actions involved the
same claim between the same parties.

8
9 ¹¹Siegel quotes the two-sentence affirmation on the first page of his brief: "It is
10 hereby adjudged and decreed that the Labor Commission Ruling of February 17, 2023 is
11 affirmed. In accordance therewith, it is further adjudged that respondent is to recover from
Diane Pardoe and Sara [sic] Pardoe, jointly and severally, the sum of \$8,713.74 plus interest
at a rate of 10% from February 17, 2023, in the sum of \$726 for a total of \$9,439.74."

12 In light of the foregoing, Siegel is unable to establish the
13 order dismissing the breach of contract action as res judicata, and
the judgment of dismissal thereon, were entered in error.

14
15
16 **DISPOSITION**

17 The judgment of dismissal is affirmed as to the breach of
18 contract claim, and the appeal of the judgment as to the declaratory
19 relief claim is dismissed. Defendant is to recover her costs on
20 appeal.

21

22

23

Kumar, J.

24

25

We concur:

26

27

28

P. McKay, P. J.

Guillemet, J.

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES
Civil Division
Central District, Stanley Mosk Courthouse, Department 12

A-19

22STLC04635
DIANE PARDOE, et al. vs JUDE SALAZAR

January 23, 2024
9:00 AM

Judge: Honorable Barbara A. Meiers CSR: None
Judicial Assistant: G. Vela ERM: None
Courtroom Assistant: A. Flores Deputy Sheriff: None

APPEARANCES:

For Plaintiff(s): Diane Pardoe via LACourtConnect; Sarah Pardoe via LACourtConnect

For Defendant(s): Jude Salazar via LACourtConnect

Other Appearance Notes: Siegel, Rick, present in Court, James Arden via LACourtConnect

SEE NUNC PRO TUNC MINUTE ORDER OF 01/30/2024 2:30 PM

NATURE OF PROCEEDINGS: Order to Show Cause Re: Dismissal of 22STLC04635 based on Res Judicata and or Collateral Estoppel Arising from the Judgment in case 23STCP00683; Hearing on Ex Parte Application For Substitution

The matters called for hearing with related case 22STLC04635.

The Court having read and considered the moving papers, rules as follows:

The Court allows Rick Seigel to appear and present argument in case #22STLC04635 as a real party in interest even though no amended pleading was before the Court technically adding him in lieu of the named plaintiffs who are also present and permitted to address the Court.

Argument by Mr. Seigel begins, but the Court asks that he not attempt to argue the merits of the case and directs him to address only the OSC res judicata and/or Collateral Estoppel issues before the Court. As a result, Mr. Seigel became agitated, and the bench officer stepped off the bench for a few minutes to allow Mr. Seigel to compose himself.

Argument thereafter resumed followed by the Court's order.

The Court grants the Order to Show Cause Re: Dismissal in case number 22STLC04635 since the issues and the parties in this 22STLC04635 case are the same as in the already adjudicated case number 23STCP00683, and the judgment in that case bars the 22STLC04635 action under principles of res judicata. If there are any differences in the issues, the 22STLC04635 action is still barred under principles of res Judicata and collateral estoppel. Accordingly, case number 22STLC04635, now barred from proceeding by principles of Res Judicata and/or collateral estoppel, is dismissed with prejudice.

The Clerk is to give notice. Certificate of Mailing is attached.

23STCP00683 DIANE PARDOE, et al. vs JUDE SALAZAR	January 4, 2024 1:45 PM
Judge: Honorable Barbara A. Meiers Judicial Assistant: G. Vela Courtroom Assistant: A. Flores	CSR: None ERM: None Deputy Sheriff: None

APPEARANCES:

For Plaintiff(s): No Appearances

For Defendant(s): No Appearances

NATURE OF PROCEEDINGS: Court Order Re: Ruling and Judgment

The Court rules as follows:

Ruling and Judgment

It is hereby adjudged and decreed that the Labor Commission Ruling of February 17, 2023 which is and has been the subject of an appeal on case number 23STCP00683 heard by this Court on November 9, 2023 is affirmed. In accordance therewith, it is further adjudged that respondent Jude Salazar is to recover from Diane Pardoe and Sara Pardoe, jointly and severally, the sum of \$8,713.74 plus interest at a rate of 10% from February 17, 2023, in the sum of \$726 for a total of \$9,439.74.

On the Court's own motion, the Non-Appearance Case Review scheduled for 01/08/2024 is advanced to this date and vacated.

The clerk is to give notice.

Certificate of Mailing is attached.

Clerk's Certificate of Service By Electronic Service is attached.

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES
Civil Division
Central District, Stanley Mosk Courthouse, Department 12

23STCP00683 **October 12, 2023**
DIANE PARDOE, et al. vs JUDE SALAZAR **8:30 AM**

Judge: Honorable Barbara A. Meiers
Judicial Assistant: G. Vela
Courtroom Assistant: L. Rodriguez
CSR: None
ERM: None
Deputy Sheriff: None

APPEARANCES:

For Plaintiff(s): Diane Pardoe (Self-Represented) via LACourtConnect; Sarah Pardoe (Self-Represented) via LACourtConnect

For Respondent(s): Jude Salazar (Self-Represented) via LACourtConnect

NATURE OF PROCEEDINGS: Hearing on Ex Parte Application NOTICE OF MOTION AND MOTION FOR CONTINUANCE

The matter is called for hearing.

After reading the moving documents in support of the above-captioned Ex Parte Application, the Court rules as indicated below:

The Ex Parte Application, Notice of Motion and Motion for Continuance is denied, the grounds for the request being essentially that plaintiffs want to file a Summary Judgment motion and need more time to be able to do so and have it heard before trial. The Ex Parte Motion is denied, the parties having had many months and even over a year in which to file any such Summary Judgment/ Summary Adjudication motion, with the result that the Court is of the view that the trial is not to be continued now to allow for such a motion to be heard. The trial will also probably take less time than proceedings including to prepare for and hear such a motion, and all the legal issues are going to be considered in all events. Accordingly, the Motion for Summary Judgment which plaintiff just filed is ordered stricken, there being no leave to continue the trial date to accommodate any such motion.

On the Court's own motion, the Hearing on Motion for Summary Judgment scheduled for 01/03/2024 is advanced to this date and vacated.

The clerk is to give notice.

Certificate of Mailing is attached.

I. FINDINGS OF FACT

1. This case arises out of a dispute between an actor, Jude Salazar, and her managers, Diane Pardoe and Sarah Pardoe, doing business as Iris Talent Management (hereinafter Ins Talent or Respondents). Salazar alleges that Iris Talent acted as an unlicensed talent agency.

2. On June 26, 2021, Salazar and Iris Talent entered into a Personal Management Agreement. The term of the agreement was for one year. The contract required that Salazar pay "15% of acting jobs that have been procured by Iris and 10% that have been procured by an agent or myself."

3. During the period of the contract, Salazar was represented by Taylor Trumbo of Evolve Artists Agency, a licensed talent agent focusing on obtaining acting bookings in commercials.

4. According to Ins Talent's briefing papers, throughout the course of the contract with Salazar, Ins Talent "reach[ed] out to casting directors, producers, and other talent buyers" for Salazar. "In short, the Pardoe's and Ins Talent procured for the Petitioner's benefit, the very reason Petitioner hired them." During the hearing, Iris Talent reiterated that a fundamental purpose of their contract was to procure work for Salazar

5. for Salazar Iris Talent's course of conduct confirmed its admission that it worked to obtain booking

6. In August 2021, Diane Pardoe noted in a text message to Salazar that Salazar was on "avail" for an IHOP television commercial and provided the booking info sheet. In an email to Salazar on August 5, 2021, Diane Pardoe wrote to Salazar: "Since this booking is through us, please put our name and contact information as your agency/representation on all booking forms." Because it had procured the work, Iris Talent took a 15% commission on this booking.

7. In December 2021, Iris Talent submitted Salazar's audition tape for a national TJ Maxx commercial. On December 14, 2021, Sarah Pardoe confirmed Salazar's availability for the shoot. On December 20, 2021, Sarah Pardoe texted Salazar: "So excited

1 this one came through!! This was the one we got you!" Iris Talent
2 took a 15% commission on this booking.

3 8. Text messages and emails provided similarly show that
4 Iris Talent submitted Salazar for booked commercials with
5 Mountain Dew and Curateur and subsequently took a 15%
commission.

6 9. Iris Talent's actions were not at the request of Trumbo,
7 Salazar's commercial agent. Trumbo testified that Iris Talent often
8 submitted Salazar for commercial bookings without informing her
9 and did not consistently list her as the agent for Salazar. Trumbo
noted in an email that Iris Talent even indicated that it worked "start
to finish on commercials" with clients.

10 10. On June 24, 2022, Salazar emailed Iris Talent to
11 terminate the contract. She stated that Iris Talent was in violation of
12 the Talent Agencies Act.

13 11. Following Salazar's email, Iris Talent emailed other
14 representatives, casting directors, and managers stating that Salazar
15 "refused to pay us commissions on projects that we booked her" In
16 one of these emails, Iris Talent indicated that it intended for the case
17 to be a "watershed moment for the entertainment industry". on...

18 12. During the period of the contract, Salazar calculated
19 that she paid a total of \$8,713.74 to Iris Talent in commissions. She
20 calculated this amount by reviewing her bookings and her Venmo
21 history, which indicated the amounts of commissions Iris Talent had
requested. All of the bookings-and consequently the payments
occurred after July 21, 2021. Iris Talent did not dispute these
calculations.

22 II. LEGAL DISCUSSION

23 This case raises the following legal issues:

24 A. Whether Respondent procured entertainment
25 engagements without a talent agency license under the Talent
26 Agencies Act (the Act)?

27 B. Whether the Labor Commissioner may award any
28 remedy to an artist for a manager's unlicensed procurement of work,

1 including voiding the contract ab initio or severing the offending
2 practices?

3 C. Whether the appropriate remedy in this case is to void
4 the entire contracts ab initio, or sever the offending practices under
5 the principles articulated in *Marathon Entertainment, Inc. v. Blasi*,
6 42 Cal 4th 974 (2008)?

7 **A. Whether Respondent procured entertainment engagements
8 without a talent agency license under the Talent Agencies Act
(the Act)?**

9 The first issue is whether, based on the evidence presented
10 at this hearing, Respondents operated as a "talent agency" within the
11 meaning of Labor Code section 1700.4(a). Based on the evidence
12 and testimony presented at hearing as well as Respondents
13 admissions, Respondents acted as an unlicensed Talent Agency by
14 procuring bookings for Salazar.

15 Labor Code section 1700.4(a) defines "talent agency" as:

16 "a person or corporation who engages in the occupation
17 of procuring, offering, promising, or attempting to
18 procure employment or engagements for an artist or
19 artists."

20 The term "procure," as used in this statute, means to get
21 possession of obtain, acquire, to cause to happen or be done: bring
22 about. *Wachs v. Curry*, 13 Cal. App.4th 616, 628 (1993), abrogated
23 on other grounds as recognized by *Marathon*, 42 Cal. 4th at 987.
24 Thus, "procuring employment" under the statute includes attempting
25 to attain employment on behalf of an artist, negotiating for
26 employment, sending an artist's work to prospective employers, and
27 entering into discussions regarding employment contractual terms
28 with a prospective employer.

29 Labor Code section 1700.5 provides that "[n]o person shall
30 engage in or carry on the occupation of a talent agency without first
31 procuring a license therefor from the Labor Commissioner" In
32 *Waisbren v. Peppercorn Production, Inc.*, 41 Cal. App.4th 246
33 (1995), the court held that any single act of procuring employment
34 subjects the agent to the Talent Agencies Act's licensing
35 requirements, thereby upholding the Labor Commissioner's
36 longstanding interpretation that a license is required for any

1 procurement activities, no matter how incidental such activities are
2 to the agent's business as a whole.

3 In contrast, a person may counsel and direct artists in the
4 development of their professional careers, or otherwise "manage"
5 artists while avoiding any procurement activity (procuring,
6 promising, offering, or attempting to procure artistic employment or
7 engagements) - without the need for a talent agency license. In
8 addition, such person may procure non-artistic employment or
engagements for the artist, without the need for a license. *Styne v.
Stevens*, 26 Cal.4th 42 (2001).

9 It is undisputed that Salazar is an artist, Iris Talent lacked
10 a talent agency license from the Labor Commissioner, and Iris
11 Talent nonetheless procured work for Salazar. Iris Talent repeatedly
12 and continuously submitted Salazar for bookings, listed itself as the
13 agent/representative for Salazar, and collected a higher 15% fee for
14 its own bookings, including the IHOP, Mountain Dew, TJ Maxx,
15 and Curateur bookings. Iris Talent does not claim-and there is no
16 evidence to support that Iris Talent met the safe harbour of Labor
17 Code Section 1700.44(d) by acting "in conjunction with, and at the
request of, a licensed talent agency in the negotiation of an
employment contract." Indeed, Trumbo's testimony indicated that
18 Iris Talent often did not keep her informed of Iris Talent's
procurement activities for Salazar, much less acted at Trumbo's
request.

19 **B. Whether the Labor Commissioner may award any remedy to
an artist for a manager's unlicensed procurement of work,
including voiding the contract ab initio or severing the offending
practices?**

20 Respondents' principal argument is that because the Talent
21 Agencies Act lacks an explicit remedy for unlicensed procurement
22 by a manager, the Labor Commissioner cannot void or sever the
23 contract. Correspondingly, they argue, the Labor Commissioner
24 must uphold the contract.

25 Binding precedent clearly rejects this interpretation. In
26 *Marathon Entertainment, Inc. v. Blasi*, 42 Cal.4th 974 (2008), the
27 California Supreme Court addressed remedies available for
28 unlicensed procurement under the Act. The Act, the Court noted,

1 "defines conduct, and hence contractual relations, that are illegal:
2 An unlicensed talent agency may not contract with talent to provide
3 procurement services." *Id.* at 991. Absent remedies in the Act itself,
4 the Court looked to the Civil Code, which contains remedies for
5 unlawful contracts. *See Id.* & n.9 (citing Civil Code Sections 1598
6 and 1599 describing rules for voiding a contract in full and
7 severability respectively). The Court held that when a manager acts
8 as an unlicensed talent agent, the contract between management and
9 talent could be declared fully void or be severed. *Id.* at 996; *see also*
10 *Buchwald v. Superior Ct.*, 254 Cal. App. 2d 347, 351 (Ct. App. 1967)
11 (interpreting the Act's predecessor to cover manager's and allowing
12 the remedy of voiding contracts). As Respondents acknowledge,
13 California courts for half a century have found that a contract could
14 be voided based on unlawful actions by an unlicensed talent agent.
15 *See generally* *Buchwald*, 254 Cal. App. 2d 347.

16 In response, Respondents claim that *Buchwald* was
17 "judicial error" because the *Buchwald* appellate court misinterpreted
18 previous California Supreme Court authority barring courts or
19 administrative agencies from voiding contracts without specific
20 statutory remedies. At the outset, this argument ignores the 2008
21 *Marathon* decision in which, as explained above, the California
22 Supreme Court unmistakably held that remedies from the Civil
23 Code applied to unlawful contracts under the Act. In doing so, the
24 Court reaffirmed that talent could enforce remedies for unlawful
25 procurement under the Act. Moreover, Respondents position
26 contradicts basic rule of law. The Labor Commissioner cannot
27 ignore fifty years of binding precedent even if she believed that a
28 binding court incorrectly analyzed previous precedent.

29 Finally, Respondents position undermines the clear
30 Legislative intent of the Talent Agencies Act as interpreted by the
31 California Supreme Court. "The Act establishes its scope through a
32 functional, not a titular, definition. It regulates *conduct*, not labels;
33 it is the act of procuring (or soliciting), not the title of one's business,
34 that qualifies one as a talent agency and subjects one to the Act's
35 licensure and related requirements." *Id.* (emphasis in original).
36 Applying this understanding, the *Marathon* Court confirmed "a
37 personal manager who solicits or procures employment for his
38 artist-client is subject to and must abide by the Act." *Id.* at 986. By
39 regulating this conduct, the Legislature acted on its concern that

1 those representing aspiring artists might take advantage of them,
2 whether by concealing conflicts of interest when agents split fees
3 with the venues where they booked their clients, or by sending
4 clients to houses of ill-repute under the guise of providing
5 'employment opportunities. *Id.* at 984. As the Court recognized,
6 these dangers do not diminish simply because a representative labels
7 themselves a "manager" rather than an "agent" when procuring
8 work. Consistent with the Labor Commissioner's previous views
9 and fifty years of binding precedent, we reject Respondents
10 attempted end-run around the Talent Agencies Act.

11

12 **C. If Respondents violated the Act, is the appropriate remedy to**
13 **void the entire contracts ab initio, or sever the offending**
14 **practices under the principles articulated in *Marathon***
15 ***Entertainment, Inc. v. Blasi*, 42 Cal.4th 974 (2008)?**

16 Generally, an agreement that violates the licensing
17 requirements of the Talent Agencies Act is illegal and
18 unenforceable. "Since the clear object of the Act is to prevent
19 improper persons from becoming [talent agents] and to regulate
20 such activity for the protection of the public, a contract between an
21 unlicensed [agent] and an artist is void." *Buchwald*, 254 Cal. App
22 2d at 351.

23 However, in *Marathon*, the Supreme Court held that a
24 violation of the Talent Agencies Act does not automatically require
25 invalidation of the entire contract. The Court explained that the Act
26 does not prohibit application of the equitable doctrine of severability
27 and that therefore, in appropriate cases, a court is authorized to sever
28 the illegal parts of a contract from the legal ones and enforce the
parts of the contract that are legal. *Marathon*, 42 Cal.4th at 990-96.

25 Respondents in their papers and in their presentation at hearing emphasized the
26 *Marathon* court's statement that "[t]he Act is silent—completely silent—on the subject
27 of the proper remedy for illegal procurement." *Marathon*, 42 Cal. 4th at 991.
28 Respondents, however, ignore the subsequent paragraphs applying Civil Code
remedies for voiding the contract as a whole or severing the contract to contracts
including unlawful procurement.

1 In discussing how severability should be applied in Talent
2 Agencies Act cases involving disputes between managers and artists
3 as to the legality of a contract, the Court in *Marathon* recognized
4 that the Labor Commissioner may invalidate an entire contract when
5 the Act is violated. The Court left it to the discretion of the Labor
6 Commissioner to apply the doctrine of severability to preserve and
7 enforce the lawful portions of the parties contract where the facts so
8 warrant. As the Supreme Court explained in *Marathon*:

9 Courts are to look to the various purposes of the contract. If the
10 central purpose of the contract is tainted with illegality, then the
11 contract as a whole cannot be enforced. If the illegality is
12 collateral to the main purpose of the contract, and the illegal
13 provision can be extirpated from the contract by means of
14 severance or restriction, then such severance and restriction are
15 appropriate.

16 [...]
17 Inevitably, no verbal formulation can precisely capture the full
18 contours of the range of cases in which severability properly
19 should be applied, or rejected. The doctrine is equitable and fact
20 specific and its application is appropriately directed to the sound
21 discretion of the Labor Commissioner and trial court in the first
22 instance.

23 *Marathon*, 42 Cal.4th at 996, 998.

24 In assessing the appropriateness of severance, two
25 important considerations are (1) whether the central purpose of the
26 contract was pervaded by illegality and (2) if not, whether the illegal
27 portions of the contract are such that they can be readily separated
28 from those portions that are legal.

29 Petitioner argues, and Respondents concede, severability
30 does not apply here. We agree. The central purpose of the
31 managerial contract was to procure work for Salazar. The contract
32 is void as a whole.

STATE OF CALIFORNIA
Department of Industrial Relations
DIVISION OF LABOR STANDARDS ENFORCEMENT

III. DISPOSITION

Accordingly, it is hereby ordered as follows:

1. The Management Agreement between Petitioner and Respondents is void ab initio and unenforceable. Respondents have no rights or entitlements to any commissions arising from such agreement.
2. Petitioner's request for disgorgement is GRANTED. Respondents shall pay Petitioner \$8,713.74.

Casey Raymond
Special Hearing Officer for the Labor Commissioner

ADOPTED AS THE DETERMINATION OF THE LABOR COMMISSIONER

Dated: 2/17/2023

LILIA GARCIA-BROWER
State Labor Commissioner