FILED/ENDORSED MICHAEL A FARBSTEIN (SB#107030) MAGGIE W TRINH (SB# 279604) FARBSTEIN & BLACKMAN A Professional Corporation 2015 FEB 10 411 Borel Avenue, Suite 425 San Mateo, California 94402-3518 Telephone (650) 554-6200 Facsimile (650) 554-6240 Вγ. , 5 Attorneys for Cross-Defendants 6 MARTHA STEFENONI and SHIRLEY BAKER 7 SUPERIOR COURT OF THE STATE OF CALIFORNIA 8 **COUNTY OF SACRAMENTO** 9 10 CASE NO 34-2012-00130439 THE NATIONAL GRANGE OF THE 11 ORDER OF PATRONS OF HUSBANDRY, a Washington, D.C., MEMORANDUM OF POINTS AND 12 nonprofit corporation, AUTHORITIES IN SUPPORT OF Plaintiff, MARTHA STEFENONI AND SHIRLEY 13 **BAKER'S MOTION FOR SUMMARY** JUDGMENT, OR IN THE 14 VS ALTERNATIVE, SUMMARY 15 THE CALIFORNIA STATE GRANGE, ADJUDICATION a California nonprofit corporation, and ROBERT McFARLAND, JOHN 16 LUVAAS, GERALD CHÉRNOFF and **RESERVATION NO. 2033102** Date April 28, 2015 17 DAMIAN PARR. Time 2 00 p.m. 18 Dept 53 Defendants 19 Complaint Filed October 1, 2012 Trial Date June 1, 2015 ROBERT McFARLAND, an individual, 20 Cross-Complainant, 21 VS BY FAX 22 THE NATIONAL GRANGE OF THE 23 ORDER OF PATRONS OF HUSBANDRY, a Washington, DC, 24 nonprofit corporation, MARTHA STEFENONÎ, an individual, EDWARD L 25 LUTTRELL, an individual, SHIRLEY BAKER, an individual, and DOES 1-10, 26 inclusive, Cross-Defendants 27

> MARTHA STEFENONI & SHIRLEY BAKER'S MEMO OF PTS AND AUTH ISO MSJ, OR IN THE ALTERNATIVE, SUMM ADJUDICATION

28

1				TABLE OF CONTENTS		
2				TABLE OF CONTENTS		
3	I	INTR	ODU	CTION		1
4	П	UND	ISPUT	ED FACTS		3
5	m	LEGA	AL STA	ANDARD FOR MOTION FOR SUMMARY JUDGMENT		
6		AND	IN TH	E ALTERNATIVE, SUMMARY ADJUDICATION		6
7	IV.	STEF	ENON	II AND BAKER ARE NOT LIABLE UNDER ANY CAUSE		
8		OF A	CTIO	N ALLEGED IN THE FACC		7
9		A	Stefe	noni and Baker Are Not Liable for Defamation	•	7
10			1	McFarland is a Limited Public Figure		7
11			2	McFarland's Surviving Claims Against Stefenoni and		
12				Baker Are Limited Following the Anti-SLAPP Motion		8
13			3	The February 7, 2012 Letter Contains No False Statements		
14				of Fact		8
15			4	McFarland Has No Evidence That The Letter Was		
16				Disseminated With Actual Malice		11
17			5	Statements by Stefenoni and Baker About Concerns		
18				of McFarland Being A "Bully in the Workplace"		
19				Were Privileged		11
20		В	Shirle	y Baker is Not Liable for Public Disclosure of Private		
21			Facts	As Alleged in the Second Cause of Action		12
22		C	Shirle	y Baker Is Not Liable for Intrusion As Alleged in the		
23			Third	Cause of Action		14
24		D	Marth	na Stefenoni and Shirley Baker are Not Liable for		
25			Inten	tional Interference with Contractual Relations As		
26			Allege	ed in the Fourth Cause of Action		15
27		E	Marth	na Stefenoni and Shirley Baker are Not Liable for		
28				MARTHA STEFENONI & SHIRLEY BAKI	ER'S	_

MARTHA STEFENONI & SHIRLEY BAKER'S
MEMO OF PTS AND AUTH ISO MSJ, OR IN
-1- THE ALTERNATIVE, SUMM ADJUDICATION

1			Interference with Prospective Economic Relations as	
2			Alleged in the Fifth Cause of Action .	16
3		F	Martha Stefenoni and Shirley Baker are Not Liable for	
4			Infliction of Emotional Distress as Alleged in the Sixth	
5			Cause of Action	17
6	IV.	CON	CLUSION	19
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27	~			
28			ACADEMIA CONDENSION OF COMMENT OF THE COMMENT OF TH	

# TABLE OF AUTHORITIES

2	1
_	- 1

1

3	CALIFORNIA SUPREME COURT CASES	
4	Aguılar v Atlantıc Rıchfield Co (2001) 25 Cal 4th 826	6
5	Briscoe v Reader's Digest Ass'n (1971) 4 Cal 3d 529	10
6	Della Penna v Toyota Motor Sales, U.S.A. (1995) 11 Cal 4th 376	17
7	Hernandez v Hillsides, Inc (2009) 47 Cal 4th 272	. 15
8	Korea Supply Co v Lockheed Martin Corp (2003) 29 Cal 4th 1134	16, 17
9	Pacific Gas & Electric Co v Bear Steams & Co (1990) 50 Cal 3d 1118	16
10	Potter v Fuestone Tue & Rubber Co (1993) 6 Cal 4th 965	. 17, 18
11	Quelimane Co v Stewart Title Guaranty Co (1998) 19 Cal 4th 26 .	. 15, 16
12	Reader's Digest Assn v Superior Court (1984) 37 Cal 3d 244	7
13	Shulman v Group W. Productions, Inc (1998) 18 Cal 4th 200	14
14		
15	CALIFORNIA COURTS OF APPEAL CASES	
16	Binder v Aetna Life Insurance Co (1999) 75 Cal App 4th 832 .	. 7
17	Burnll v. Nair (2013) 217 Cal App.4th 357	. 9
18	Delfino v Agılent Technologies, Inc (2006) 145 Cal App 4th 790	18
19	FSR Brokerage Inc v Superior Court (1995) 35 Cal App 4th 69	7
20	Kiseskey v Caipenters' Trust for So California (1983) 144 Cal App 3d 222	18
21	Leslie G v Perry & Assocs (1996) 43 Cal App 4th 472	6
22	Miller v National Broadcasting Co (1986) 187 Cal App 3d 1463	. 14
23	Moreno v Hanford Sentinel, Inc. (2009) 172 Cal App 4th 1125 .	. 13
24	Noble v Sears, Roebuck & Co (1973) 33 Cal App 3d 654	. 14
25	Rancho La Costa, Inc v Superior Court (1980) 106 Cal App 3d 646 .	12
26	Rudnick v McMillan (1994) 25 Cal App 4th 1183 .	. 7
27	Sangster v Paetkau (1998) 68 Cal App 4th 151 at 162	6

28

MARTHA STEFENONI & SHIRLEY BAKER'S MEMO OF PTS AND AUTH ISO MSJ, OR IN
-III- THE ALTERNATIVE, SUMM ADJUDICATION

1	Seelig v Infinity Broadcasting Corp (2002) 97 Cal App 4th 798
2	Smith v Maldonando (1999) 72 Cal App 4th 637
3	Supple v Chronicle Publishing Co (1984) 154 Cal App 3d 1040 . 10, 11, 13
4	Westside Center Associates v Safeway Stores 23, Inc (1996) 42 Cal App 4th 507
5	
6	<u>CALIFORNIA STATUTES</u>
7	Civil Code Section 47
8	Civil Code Section 47, subd (c)
9	Civ Proc Code §437c
10	Civ Proc. Code § 437c(a)
11	Civ Proc. Code § 437c(o)(1), (p)(2)
12	Civ Proc Code § 437c(o)(2), (p)(2)
13	Civ Proc Code § 437c(o)(1)
14	Civ Proc. Code § 437c(p)(2)
15	
16	TREATISES
17	4 Witkın, Summary of Cal. Law (8th ed 1974) Torts, §§ 306-309, pp. 2577-2580 12
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	MARTHA STEFENONI & SHIRLEY BAKER'S MEMO OF PTS AND AUTH ISO MSJ, OR IN

-iv- THE ALTERNATIVE, SUMM ADJUDICATION

## I. INTRODUCTION

This matter arises from a dispute between the National Grange of the Order of the Patrons of Husbandry ("National Grange"), and the formerly chartered California State Grange ("CSG") The Master of the National Grange is Edward Luttrell The Master of the CSG is Robert McFarland Martha Stefenoni and Shirley Baker are former members of the CSG Executive Committee, which oversees the activities of the CSG.

McFarland brought a First Amended Cross-Complaint ("FACC") against the National Grange, Edward Luttrell, Martha Stefenoni, and Shirley Baker McFarland alleged six causes of action relating to McFarland's administration and to a February 7, 2012 letter written by Luttrell to McFarland which McFarland viewed as critical of his performance

Stefenoni and Baker brought an anti-SLAPP motion against these allegations and prevailed, with one exception. The Court ruled this exception to be statements that McFarland had engaged in conduct within the CSG offices which amounted to "harassment" and "intimidation of employees" and was a "bully in the workplace" The anti-SLAPP motion was otherwise granted

The surviving allegations in the FACC are limited by McFarland's discovery responses where he identifies the source of his defamation claim to be a letter which refers to "informal complaints and reports about your actions which primarily include bullying behavior and insincere statements" This reference is contained in a February 7, 2012 letter from Luttrell to McFarland. McFarland alleges that the February 7, 2012 letter, with the allegedly offending statement, was disseminated by Stefenoni and Baker to CSG members who were not its intended recipients

The February 7, 2012 letter relates solely to McFarland's conduct at the CSG workplace. It makes no factual statements that McFarland is a bully, harasses or intimidates employees. Further, McFarland is a limited purpose public figure and must show malice on the part of Stefenoni and Baker in their alleged dissemination of the letter. He cannot do

so In addition, McFarland has published documents on the CSG website which make the same statements he claims were wrongly disseminated. These statements are openly available to the general public, a much broader audience than the limited CSG membership.

Regarding the second cause of action for Public Disclosure of Private Facts, the statements in the February 7, 2012 letter do not constitute "unwarranted publication of intimate details of one's private life which are outside the realm of legitimate public interest." None of the facts disclosed in discussions with Luttrell or in the February 7, 2012 Luttrell letter were "private" facts in which McFarland had a reasonable expectation of privacy as Master and President of the CSG

Regarding the third cause of action for Intrusion, there was no intrusion into a place, conversation, or matter as to which McFarland had a reasonable expectation of privacy McFarland cannot show any intrusion that occurred in a manner highly offensive to a reasonable person McFarland's treatment of CSG staff is not within any "zone of privacy" for McFarland, who is the CSG Master and President

Regarding the fourth cause of action for Intentional Interference with Contractual Relations, McFarland continues to be the Master and President of the CSG and can articulate no actual interference with his employment with the CSG, nor related income loss.

Regarding the sixth cause of action for Interference with Prospective Economic Relations, similarly, there has been no actual disruption of an economic relationship nor proximately related economic harm. Neither has McFarland alleged any other, independent, wrongful act aside from the defamation claims.

Regarding the sixth cause of action for Infliction of Emotional Distress, there has been no act on the part of Stefenoni or Baker which rises to the level of being a "substantial quality or enduring quality that no reasonable [person] in civilized society should be expected to endure it"

There is no basis for hability against Stefenoni and Baker from the alleged statements to Luttrell nor their alleged dissemination of the February 7, 2012 letter and its brief reference to reports of "bullying in the workplace" Stefenoni and Baker move for summary judgment as to the FACC. In the alternative, Stefenoni and Baker move for summary adjudication as to each cause of action

#### II. UNDISPUTED FACTS

The National Grange of the Order of Patrons of Husbandry is a nonprofit corporation organized under the laws of the District of Columbia SUF No 1 It is headquartered in Washington, DC *Ibid* Edward Luttrell is currently the Master of the National Grange, and has at all relevant times SUF No 2 Robert McFarland is currently the President and Master of CSG SUF No 3 He was originally elected in 2009, and reelected in 2011 and 2013. SUF No. 4.

From 2006 to 2012, Stefenoni was a member of the CSG Executive Committee.

From 2009 to 2012, Baker was a member of the CSG Executive Committee SUF No 5.

On February 7, 2012, Edward Luttrell sent a letter to McFarland which discussed McFarland's management of the CSG SUF No 6 The letter was also addressed to the CSG Executive Committee. *Ibid* It was not marked "Confidential." *Ibid*The February 7, 2012 letter states only the following with regard to McFarland's workplace

"Integrity is a requirement of successful Grange leadership. I have had a number of informal complaints and reports about your actions which primarily include bullying behavior and insincere statements

Grange leadership requires that we work with those who disagree with us Disagreements and the ensuing debate are healthy for us as people and for our organization. Failure to engage in debate or to consider opposing viewpoints goes against the philosophy of the Grange "

SUF No. 7. Luttrell believed these statements were truthful when he made them RJN No 3, Decl of Edward Luttrell in support of Motion for Summary Judgment, at 7) SUF No 8 The letter was not an employee evaluation as McFarland was not employed by the National

Grange in any capacity Id at 4 SUF No 9

McFarland filed the FACC on or about May 13, 2013 against the National Grange, Edward Luttrell, Martha Stefenoni and Shirley Baker. The FACC alleges causes of action for (1) defamation, (2) public disclosure of private facts, (3) intrusion, (4) intentional interference with contractual relations, (5) intentional interference with prospective business relations, (6) infliction of emotional distress. SUF No. 10

Ms Stefenoni and Ms Baker brought an anti-SLAPP motion against the FACC SUF No 11 The Court granted this motion except as follows:

"However, the statements by Stefenoni and Baker about some of McFarland's conduct as an employee, specifically that McFarland engaged in conduct within the office which amounted to harassment, bullying, and the intimidation of employees had nothing to do with legislation or general public policy. Therefore the Court does not conclude that the statements that McFarland was a "bully" in the workplace constitutes protected conduct regarding a matter of public interest (FACC, paras 12, 15, 23, 27, 30)"

SUF No 12

Stefenoni and Baker specifically asked McFarland in interrogatory discovery requests to "IDENTIFY ALL PUBLISHED STATEMENTS which YOU assert form a basis for your defamation claim against propounding party" SUF No 13 In responding to these requests, McFarland specifically responds "[w]ithout waiving said objection, the Responding Party identifies the February 7, 2012 letter authored by Ed Luttrell" SUF No 14 The relevant allegations relating to this letter are contained in Paragraphs 27 and 30 of the FACC SUF No 15

On January 12, 2015, the National Grange and Luttrell brought a Motion for Summary Judgment as to the FACC SUF No 16 The Court granted this Motion in its entirety SUF No. 17 Among its other findings, the Court's Order on the Motion for Summary Judgment found that McFarland was a limited purpose public figure, that the February 7, 2012 letter was not defamatory as a matter of law, and McFarland was not entitled to recover on any of the causes of action SUF No 18

Neither Martha Stefenoni nor Shirley Baker wished to injure or harm McFarland

SUF No 19 In all their interactions involving Luttrell and McFarland, Stefenoni and Baker acted solely from concern for the welfare of the CSG SUF No 20 This includes any statements they made about McFarland SUF No. 21

McFarland has allowed publication of a letter from Edward Luttrell on the CSG website dated August 1, 2012 which references allegations of "bullying and allowing the bullying and intimidation of Grange members" SUF No. 22

In addition, there is a letter on the CSG website dated October 10, 2011 by Luttrell that states Luttrell has received a complaint that McFarland "intimidates or possibly harasses certain employees of the California State Grange" SUF No 23. This also is made available to the general public by the CSG on the CSG website *Ibid*. These documents are not password-protected. *Ibid*. They are indexed and identified for easy retrieval, and can be retrieved and read by anyone with Internet access. *Ibid*.

McFarland was informed that these documents were on the CSG website during his deposition on February 2, 2015 SUF No. 24. As of the date of this Motion these documents have not been removed or become password-protected SUF No 25

The document identified as a "Minority Report" in the FACC is also available on the CSG website, and available to the general public SUF No. 26.

Jon Luvaas, the chair of the CSG executive committee, has no facts to support an allegation that Stefenoni disseminated the February 7, 2012 letter. SUF No 27 Likewise, McFarland also has no facts to support his allegation that Stefenoni disseminated the February 7, 2012 letter SUF No 28

In terms of damages, McFarland identifies repayment of a \$1,000 insurance deductible and \$1,000 payment of bond to secure a preliminary injunction against the National Grange SUF No 29 He alleges he has lost \$2,000 in lost income to date *Ibid*. He does not know how this figure was arrived at SUF No. 30 The remainder of his claim is for general damages. SUF No. 31

3

4

1

5 6

7

9

8

10

11 12

13

14 15

16

17

18

19 20

21

22

23 24

25

26 27

28

#### III. LEGAL STANDARD FOR MOTION FOR SUMMARY JUDGMENT AND IN THE ALTERNATIVE, SUMMARY ADJUDICATION

"The purpose of the law of summary judgment is to provide courts with a mechanism to cut through the parties' pleadings in order to determine whether, despite their allegations, trial is in fact necessary to resolve their dispute "Aguilar v Atlantic Richfield Co (2001) 25 Cal 4th 826, 843

"Any party may move for summary judgment in any action or proceeding if it is contended that the action has no merit ... "Civ Proc Code § 437c(a) A cause of action lacks merit if "[o]ne or more of the elements of the cause of action cannot be separately established" (Civ Proc Code § 437c(0)(1), (p)(2)), or if there is a complete defense (Civ Proc Code § 437c(o)(2), (p)(2))

If the moving defendant makes a prima facie showing that the cause of action lacks merit, "the burden shifts to the plaintiff". to show that a triable issue of one or more material facts exists as to that cause of action or a defense "Civ Proc Code § 437c(p)(2). The plaintiff "may not rely on his or her pleadings alone, but must file opposition to the motion, with affidavits setting forth specific facts demonstrating that a triable issue of material fact exists as to the cause of action or defense "Sangster v Paetkau (1998) 68 Cal App 4th 151 at 162 (citations omitted)

"[I]n order to avert summary judgment the plaintiff must produce substantial responsive evidence sufficient to establish a triable issue of material fact on the merits of the defendant's showing For this purpose, responsive evidence that gives rise to no more than mere speculation cannot be regarded as substantial, and is insufficient to establish a triable issue of material fact "

### Id at 162-163 (citations omitted)

"We will not draw inferences from thin air Where, the plaintiff seeks to prove an essential element of her case by circumstantial evidence, she cannot recover merely by showing that the inferences she draws from those circumstances are consistent with her theory Instead, she must show that the inferences favorable to her are more reasonable or probable than those against her "

Leshe G v Perry & Assocs (1996) 43 Cal App 4th 472, 483 (citations omitted)

Summary judgment is no longer "considered a 'disfavored' procedure *Binder v*Aetna Life Insurance Co (1999) 75 Cal App 4th 832, 838 (citations omitted) If the moving defendant satisfies its evidentiary burden and the plaintiffs fail to "sustain their burden of proof imposed upon them given th[at] evidentiary showing," the trial court has "a duty to grant the summary judgment motion "FSR Brokerage Inc v Superior Court (1995) 35

Cal App 4th 69, 74-75, Civ Proc Code § 437c(o)(1)

Under Civ Proc Code §437c, summary adjudication permits a party to have one or more causes of action summarily adjudicated

McFarland's discovery responses and other undisputed facts demonstrate the lack of merit of the claims against Stefenoni and Baker which remain after their anti-SLAPP motion was granted

# IV. STEFENONI AND BAKER ARE NOT LIABLE UNDER ANY CAUSE OF ACTION ALLEGED IN THE FACC

#### A. Stefenon and Baker Are Not Liable for Defamation

### 1. McFarland is a Limited Public Figure

The California Supreme Court has defined a limited purpose public figure as "an individual who voluntarily injects himself or is drawn into a particular public controversy and therefore becomes a public figure for a limited range of issues "Reader's Digest Assn v Superior Court (1984) 37 Cal 3d 244, 253 Whether a libel plaintiff is a limited purpose public figure is particularly suited for determination by the court as a matter of law on summary judgment Id at 252, Rüdnick v McMillan (1994) 25 Cal App 4th 1183, 1190 In Rudnick, contacting the editor of a rancheis' trade publication with hopes that the editor would write an article about government management of land in the area and leview a diaft article was sufficient to have Rudnick determined to be a limited purpose public figure

Here, McFarland has become the elected Master and President of the California State Grange for multiple terms. He is involved in the highest levels of governance for the

CSG and his relationship with the National Grange was and is a limited public matter. He is not seeking anonymity by any extent and McFarland is a limited public figure with regard to his leadership of the CSG. As a limited public figure, actual malice must be demonstrated in order to recover for any alleged defamatory factual statements.

# 2. McFarland's Surviving Claims Against Stefenoni and Baker Are Limited Following the Anti-SLAPP Motion

The Court's order granting Stefenoni and Baker's anti-SLAPP motion in part against the allegations of the FACC allowed the allegations that "McFarland engaged in conduct within the office which amounted to harassment, bullying, and the intimidation of employees "The Order on the anti-SLAPP motions references FACC paragraphs 12, 15, 23, 27 and 30 as being within the exceptions to the Order McFarland's claims are more limited McFarland specifically identifies in discovery the basis for his defamation claims as being the alleged dissemination of the February 7, 2012 letter. This Motion for Summary Judgment therefore focuses upon the allegations of FACC paragraphs 27 and 30 which relate to that letter.

Paragraph 27 alleges "On or about February 7, 2012, Luttrell acting in his capacity as Master of the National Grange drafted a letter, on National Grange letter head, containing false statements about McFarland, including but not limited to, McFarland having a penchant for "bullying" in the workplace "

Paragraph 30 alleges "The unprivileged statements published about McFarland are libelous on their face. The unprivileged statements accuse McFarland of "bullying" in the workplace."

Neither of these statements rise to the level of defamation. As discussed further below, these statements are neither factually false nor malicious, and are privileged

## 3. The February 7, 2012 Letter Contains No False Statements of Fact

Defamation involves (a) a publication that is (b) false, (c) defamatory, and (d) unprivileged, and that (e) has a natural tendency to cause injury or that causes special

damage Smith v Maldonando (1999) 72 Cal App 4th 637, 645, Seelig v Infinity Broadcasting Corp (2002) 97 Cal App 4th 798, 809

Further the statement in the February 7, 2012 letter must have "a natural tendency to cause injury or that causes special damage" *Smuth v Maldonando, supra, Seelig v Infinity Broadcasting Corp supra* "The question whether a statement is reasonably susceptible to a defamatory interpretation is a question of law for the trial court. Only once the court has determined that a statement is reasonably susceptible to such a defamatory interpretation does it become a question for the trier of fact whether or not it was so understood "*Smuth v Maldonado, supra*, at 647. An example of such a statement is a blog accusing a person of committing perjury, extortion and accepting bribes. *Burnill v Nau* (2013) 217. Cal App 4th 357.

The February 7, 2012 letter barely touches on the issue of McFarland being a "bully in the workplace" The one relevant statement in the February 7, 2012 letter is as follows

"Integrity is a requirement of successful Grange leadership. I have had a number of informal complaints and reports about your actions which primarily include bullying behavior and insincere statements."

Grange leadership requires that we work with those who disagree with us Disagreements and the ensuing debate are healthy for us as people and for our organization. Failure to engage in debate or to consider opposing viewpoints goes against the philosophy of the Grange."

Contrary to McFarland's allegations, this statement by Luttrell is clearly an attempt to gently provide guidance to McFarland. It makes no factual statement statement that McFarland was a bully. It does not reference harassment or intimidation of employees. It states that Luttrell received "informal complaints and reports" about his actions which include bullying behavior and insincere statements.

Recovery for defamation requires more A defamatory statement must be a factually false statement *Smith v Maldonando* (1999) 72 Cal App 4th 637, 645, *Seelig v Infinity Bioadcasting Corp* (2002) 97 Cal App 4th 798, 809 Here, Luttrell is not making any false statement of fact regarding "harassment, bullying and the intimidation of employees" He is

only saying that he "had a number of informal complaints and reports" about this behavior, which is not disputed

Further, these concerns raised about McFarland are not "the unwarranted publication of intimate details of one's private life." They are not personal medical information, criminal history or family details. *Briscoe v. Reader's Digest Ass'n* (1971) 4. Cal 3d 529, 542. The concerns expressed in the letter are directly related to his governance of the CSG.

The Luttrell statement cannot rise to the level of one that McFarland can credibly claim had a natural tendency to cause him injury. Based on its contents, the February 7, 2012 letter was not defamatory as a matter of law

Significantly, and undercutting every claim he has made in the FACC against Stefenoni and Baker, McFarland has allowed letters to be published on the public CSG website which contain statements others allege he engages in "bullying and allowing the bullying and intimidation of Grange members and "intimidates or possibly harasses certain employees of the California State Grange" Despite being President and Master of the CSG, these documents were not removed from the CSG website after McFarland was confronted with their publication on that forum. It cannot be credibly disputed that these documents are on the CSG website with his permission.

McFarland's publication of these letters is significant. In Sipple v. Chronicle

Publishing Co. (1984) 154 Cal App 3d 1040, the Court stated that "a crucial ingredient of the tort premised upon invasion of one's privacy is a public disclosure of private facts [cites] that is, the unwarranted publication of intimate details of one's private life which are outside the realm of legitimate public interest [cites] "Id at 1047 [Emphasis added]

Here, McFarland sues Stefenoni and Baker for allegedly sending the February 7, 2012 letter to non-Executive Committee members of the CSG, while he contemporaneously has published the allegations of "bullying," "harassment" and "intimidation" in the much more public forum of the CSG public website. Whereas the innocuous comments made in

the February 7, 2012 letter are alleged by McFarland to have been disseminated to other CSG members who have an interest in the governance of the CSG, the forum McFarland has allowed them to be published to is accessible by any member of the public, including any news reporter, anywhere in the world with access to the Internet. He does not consider them "private" in any sense. He cannot now claim that those allegations are "outside the realm of legitimate public interest" as stated in *Supple, supra* 

After his own publication of these documents, McFarland cannot credibly claim that it was malicious for them to publish the February 7, 2012 letter, noi can he argue that such publication was haimful to himself

# 4. McFarland Has No Evidence That The Letter Was Disseminated With Actual Malice

McFarland has no evidence that Stefenoni disseminated the February 7, 2012 letter, although he believes Baker did so Neither Stefenoni nor Baker had any wish to harm McFarland. Their actions with regard to McFarland were limited to their concerns for the welfare of the CSG. McFarland may speculate, but there is no admissible evidence that this letter, which was not defamatory, was sent to CSG members with actual malice by either Stefenoni of Baker.

5. Statements by Stefenoni and Baker About Concerns of McFarland Being A "Bully in the Workplace" Were Privileged

Civil Code Section 47, subdivision (c) provides as follows

A privileged publication or broadcast is one made

(c) In a communication, without malice, to a person interested therein, (1) by one who is also interested, or (2) by one who stands in such a relation to the person interested as to afford a reasonable ground for supposing the motive for the communication to be innocent, or (3) who is requested by the person interested to give the information. This subdivision applies to and includes a communication concerning the job performance or qualifications of an applicant for employment, based upon credible evidence, made without malice, by a current or former employer of the applicant to, and upon request of, one whom the employer reasonably believes is a prospective employer of the applicant. This subdivision authorizes a current or former employer, or the employer's agent, to answer whether or not the employer would rehire a current or former employee. This subdivision shall not apply to a communication concerning the speech or activities of an applicant for employment if the speech or activities are constitutionally protected, or

otherwise protected by Section 527 3 of the Code of Civil Procedure or any other provision of law

The term "interested" under this statute has been defined as

The word "interested" as used in the statute refers to a more direct and immediate concern. That concern is something other than mere general or idle curiosity of the general readership of newspapers and magazines. One authority explains the statutory interest as follows. (1) The "interest" applies to a defendant who "is protecting his own pecuniary or proprietary interest." (2) The required "relation" between the parties to the communication is a contractual, business or similar relationship, such as "between partners, corporate officers and members of incorporated associations," or between "union members [and] union officers." (3) The "request" referred to must have been in the course of a business or professional relationship. (4 Witkin, Summary of Cal. Law (8th ed. 1974) Torts, §§ 306-309, pp. 2577-2580.)

Cited by Rancho La Costa, Inc. v. Superior Court (1980) 106 Cal App 3d 646, 664-665. The relationship between Stefenoni and Baker, as members of the CSG Executive Committee and Edward Luttrell, President and Master of the National Grange, is analogous to persons have a business or similar relationship, such as business partners or corporate officers. Luttrell, as President of the National Grange, was an "interested party" within the meaning of Civil Code Section 47 as to any statements by Stefenoni and Baker about McFarland's workplace activities. The definition goes further, however, and includes all members of the CSG. If members of an unincorporated association as well as "union members" and "union officers" can have such an "interested" relationship, then dues-paying members of the CSG are likewise "interested" within the meaning of Civil Code Section 47. Communications between Stefenoni and Baker with Luttrell and other CSG members reflected in the February 7, 2012 letter, about McFarland's conduct at the CSG administration, without malice, is a matter that is privileged under Civil Code Section 47.

McFarland cannot recover under the first cause of action for defamation

B. Shirley Baker is Not Liable for Public Disclosure of Private Facts As Alleged in the Second Cause of Action

б

Shirley Baker is named in this second cause of action. The elements of this tort are "(1) public disclosure (2) of a private fact (3) which would be offensive and objectionable to the reasonable person and (4) which is not of legitimate public concern "Moreno v Hanford Sentinel, Inc. (2009) 172 Cal App 4th 1125, 1130-1131. As the court stated, "[t]he absence of any one of these elements is a complete bar to liability." Id. at 1131

The tort of Public Disclosure of Private Facts is aptly illustrated in *Moreno*, where plaintiff wrote an article entitled "An Ode to Coalinga" and posted it on her online journal on MySpace com *Id* at 1128. The article made a number of extremely negative comments about Coalinga *Ibid*. The day after plaintiff removed the article from her online journal, she learned that a high school principal had submitted the article to the newspaper by giving it to the editor of the newspaper *Ibid*. Plaintiff and her family sued the principal and the newspaper, alleging causes of action for invasion of privacy and intentional infliction of emotional distress. *Ibid*.

The court sustained the defendants' demurier without leave to amend *Ibid*. The court noted that "A matter that is already public or that has previously become part of the public domain is not private" and "the fact that Cynthia expected a limited audience does not change the above analysis. Cynthia opened the article to the public at large. Her potential audience was vast "*Ibid*.

Moreno also incorporated the reasoning of Sipple, supra, discussed above Moreno, supra, at 1130 Sipple's definition of adequately offensive statements as being "unwarranted publication of intimate details of one's private life which are outside the realm of legitimate public interest" is a far cry from the innocuous statements in the February 7, 2012 letter. The February 7, 2012 letter merely refers to "reports" of bullying and insincere statements. The letter is confined to issues regarding the CSG office environment. McFarland's treatment of his office staff is not a private fact as it affects those persons and the functioning of the CSG administration. There is no disclosure of confidential personal information such as health records, employment evaluations or non-CSG related facts.

It is undisputed that the February 7, 2012 letter solely concerned issues regarding the governance of the Giange and McFarland's administration of the CSG as Master and Piesident

McFarland himself must agree that the allegations of "harassment," "intimidation" and "bullying in the workplace" are a matter of public interest as he has published them, or allowed them to be published, on the CSG website as part of his narrative of the dispute with the National Grange. He has allowed them to be published to a much wider audience than he claims Stefenoni and Baker did. The Second Cause of Action should be adjudicated in favor of Shirley Baker as a matter of law.

C. Shirley Baker Is Not Liable for Intrusion As Alleged in the Third Cause of Action.

Shirley Baker is named in this third of cause of action for Intrusion As stated in Shulman v Group W Productions, Inc (1998) 18 Cal 4th 200, the tort of intrusion into private places is defined as

"[U]nconsented-to physical intrusion into the home, hospital room or other place the privacy of which is legally recognized, as well as unwarranted sensory intrusions such as eavesdropping, wiretapping, and visual or photographic spying "

*Id* at 230-231

The *Shulman* case concerned the videotaping and broadcast of an accident rescue and detailed activities of helicopter paramedics as they sought to medically assist severely injured persons *Id* at 210 These facts were similar to other cases where intrusion was found, such as in *Noble v Sears*, *Roebuck & Co* (1973) 33 Cal App 3d 654 at p 660 (dealing with an exclusive right of occupancy of her hospital room), and *Miller v National Broadcasting Co* (1986) 187 Cal App 3d 1463 at pp 1489-1490 (media's entry into home after paramedics were called) A privacy violation based on the common law tort of intrusion has two elements. First, the defendant must intentionally intrude into a place, conversation, or matter as to which the plaintiff has a reasonable expectation of privacy

Second, the intrusion must occur in a manner highly offensive to a reasonable person Hernandez v Hillsides, Inc (2009) 47 Cal 4th 272, 286

Here, the basis for McFarland's Intrusion claim is the alleged dissemination of reports that McFarland engaged in "harassment" and "bullying" in the CSG workplace. There is no discussion of his personal life, health or family matters. As Master and President of the CSG, none of the exhortations in the February 7, 2012 letter regarding reports heard by Luttrell are within any "reasonable expectation of privacy" by McFarland. The dissemination of these reports does not rise to the level of a hospital-room videotaping and recording personal medical details. No one appeared at McFarland's home and attempted to photograph him or record his personal activities.

McFarland, as president of the CSG, has allowed the re-broadcast of the above statements in the much more public CSG website forum. It is evident that McFarland himself does not consider these private matters. As the Court noted in granting the National Grange and Luttrell's Motion for Summary Judgment for this cause of action, "[n]one of the information contained in the letter is alleged to have been obtained unlawfully. Nor are any private facts disclosed." McFarland has no basis for recovery under the third cause of action for Intrusion.

D. Martha Stefenoni and Shirley Baker are Not Liable for Intentional Interference with Contractual Relations As Alleged in the Fourth Cause of Action.

McFarland alleges in this cause of action, against both Stefenoni and Baker, that they "intended to wrongfully remove McFarland from his elected position through their wrongful publication of false facts" FACC at 50

The elements of the tort of Intentional Interference with Contractual Relations is set forth by *Quelimane Co v Stewart Title Guaranty Co* (1998) 19 Cal 4th 26 as. (1) a valid contract between plaintiff and a third party, (2) defendant's knowledge of this contract, (3)

10

12 13

14 15

16

17

18

19 20

21

22

23

24

25

26 27

28

defendant's intentional acts designed to induce a breach or disruption of the contractual relationship, (4) actual breach or disruption of the contractual relationship, and (5) resulting damage " (Pacific Gas & Electric Co v Bear Steams & Co (1990) 50 Cal 3d 1118, 1126 " Id at 55

McFarland cannot prevail on this cause of action because he cannot show that there was an "actual breach or disruption of the contractual relationship" or that he has suffered "resulting damage" as required by Ouelimane, supra at 55 McFarland continues to be the Master and President of the CSG He was re-elected in the last election cycle There has been no disruption of his elected position with the CSG. Since there has been no disruption of his elected position, McFarland has no "resulting damage" to point to *Ibid* McFarland's discovery responses that he "was going to seek" one more two year term as President of the California State Grange He does not claim that he was unable to win the election, nor does he claim any other loss of income He references a \$1,000 insurance deductible and payment of a \$1,000 bond, which do not appear to be "loss of income"

McFarland cannot recover under the this cause of action for Intentional Interference with Contractual Relations

E. Martha Stefenoni and Shirley Baker are Not Liable for Interference with Prospective Economic Relations as Alleged in the Fifth Cause of Action.

McFarland alleges this cause of action against both Stefenoni and Baker The elements of this cause of action are stated in Korea Supply Co v Lockheed Martin Corp (2003) 29 Cal 4th 1134 as follows

(1) an economic relationship between the plaintiff and some third party, with the probability of future economic benefit to the plaintiff, (2) the defendant's knowledge of the relationship, (3) intentional acts on the part of the defendant designed to disrupt the relationship, (4) actual disruption of the relationship, and (5) economic harm to the plaintiff proximately caused by the acts of the defendant '[Citations]" (Westside Center Associates v Safeway Stores 23, Inc (1996) 42 Cal App 4th 507. Š21-522 '

22.

Id at 1153

McFarland cannot prove these elements, similar to the prior cause of action, primarily because McFarland's economic relationship at issue, his position as Master and President of the CSG, has not been disrupted

Further, there McFailand has not alleged any other, independent, wrongful act. As stated in *Della Penna v Toyota Motor Sales, USA* (1995) 11 Cal 4th 376. "We hold that a plaintiff seeking to recover for an alleged interference with prospective contractual or economic relations must plead and prove as part of its case-in-chief that the defendant not only knowingly interfered with the plaintiff's expectancy, but engaged in conduct that was wrongful by some legal measure other than the fact of interference itself." *Id* at 393. There is no independent wrongful act alleged here other than the alleged defamation, and no evidence of any

Since McFarland was re-elected in the most recent election cycle in 2013, and continues to be Master and President of the CSG, he cannot make a claim for damages as required by the fifth element of this tort, as set forth in *Korea Supply, supra* McFarland cannot recover under this cause of action

F. Martha Stefenoni and Shirley Baker are Not Liable for Infliction of Emotional Distress as Alleged in the Sixth Cause of Action.

McFarland cannot prevail on his sixth cause of action for Infliction of Emotional Distress, plead against both Stefenoni and Baker. Although he has plead "negligence" as one basis for this cause of action, "there is no duty to avoid negligently causing emotional distress to another, and that damages for emotional distress are recoverable only if the defendant has breached some other duty to the plaintiff. That is already the law in California "Potter v. Firestone Tire & Rubber Co. (1993) 6 Cal 4th 965, 984

Assuming McFailand intended to plead a cause of action for "intentional" infliction of emotional distress, he is also barred. The elements of the tort of intentional infliction of emotional distress are

"(1) extreme and outrageous conduct by the defendant with the intention of causing, or reckless disregard of the probability of causing, emotional distress, (2) the plaintiff's suffering severe or extreme emotional distress, and (3) actual and proximate causation of the emotional distress by the defendant's outrageous conduct "Conduct to be outrageous must be so extreme as to exceed all bounds of that usually tolerated in a civilized community [Citation] The defendant must have engaged in 'conduct intended to inflict injury or engaged in with the realization that injury will result [Citation]"

Potter v Furestone Ture & Rubber Co (1993) 6 Cal 4th 965, 1001 The level of emotional distress must be one that is "[o]f such substantial quality or enduring quality that no reasonable [person] in civilized society should be expected to endure it "Potter, supra, at 1004

McFarland cannot claim such a level of distress as a result of the alleged dissemination by Stefenoni and Baker of the February 7, 2012 letter. Examples of actions which rise to the level of being sufficient to cause severe emotional distress are found in *Delfino v. Agilent Technologies, Inc.* (2006) 145 Cal App 4th 790, 809 (anonymous e-mails graphically threatening physical harm) and in *Kiseskey v. Carpenters' Trust for So. California* (1983) 144 Cal. App. 3d 222, 229-230 (threats of harm or death to plaintiff and his family for failure to sign new union agreement). Dissemination of the February 7, 2012 letter to other CSG members with its single, brief reference to reports about bullying in the workplace are insufficient as a matter of law. As the Court ruled in favor of the National Grange and Luttrell's Motion for Summary Judgment, ""No 'outrageous' conduct, so 'extreme as to exceed all bounds of that usually tolerated in a civilized community,' and 'intended to inflict injury or engaged in with the realization that injury will result' can be shown here."

McFarland himself has placed complaints of "harassment", "bullying", and "intimidation" squarely in the public eye on the CSG website. As Master and President of the CSG, McFarland cannot credibly claim that he cannot have them taken down or password-protected. It is evident that McFarland does not consider the dissemination of these complaints to be "[O]f such substantial quality or enduring quality that no reasonable

[person] in civilized society should be expected to endure it "

The sixth cause of action for Infliction of Emotional Distress should be adjudicated as a matter of law in favor of Martha Stefenoni and Shirley Baker

#### IV. CONCLUSION

Following the granting of the anti-SLAPP motion in favor of Stefenoni and Baker, the remaining basis for claiming liability against them is the alleged dissemination of the February 7, 2012 letter with its alleged statements regarding "bullying in the workplace" McFarland has placed, or allowed to be placed, such statements on the CSG's public website, publically showing repeated concerns that McFarland engages in bullying, harassing and intimidating other employees of the CSG who disagreed with him These statements cannot possibly be a basis for liability against Martha Stefenoni and Shirley Baker. The innocuous February 7, 2012 letter is not defamatory as a matter of law, McFarland cannot recover under any other cause of action, and Stefenoni and Baker should be granted summary judgment as to the FACC. In the alternative, Martha Stefenoni and Shirley Baker should be granted summary adjudication as to each cause of action

DATED February 10, 2015

FARBSTEIN & BLACKMAN A Professional Corporation

Ву

Michael A Farbstein Maggie W Trinh

Attorneys for Cross-Defendants

MARTHA STEFENONI and SHIRLEY

BAKER