

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

**JUDITH GOLDMAN AND
KENNETH B. GOLDMAN,
Plaintiffs,**

v.

**CITIGROUP GLOBAL MARKETS, ET AL.,
Defendants.**

:
:
:
:
:
:
:
:
:
:

Civ. No. 12-4469

ORDER

Plaintiffs are presently engaged in arbitration and mediation before the Financial Industry Regulatory Authority respecting a dispute with their former investment advisor and his employers. The arbitration is required by the contract between Plaintiffs and the advisor. (*Doc. No. 1* ¶ 28.) Displeased with the progress of the arbitration and with the decisions the mediator and arbitrators have made respecting discovery and recusal, Plaintiffs filed this action today together with a Motion for a Temporary Restraining Order and for Preliminary Injunction. (*Doc. Nos. 1, 2.*)

Purportedly proceeding under the Federal Arbitration Act, Plaintiffs ask me to: (1) enjoin the arbitration panel from continuing; (2) stay the arbitration until a new panel is assigned; (3) bar the mediator from any contact with the new panel; (4) disqualify the attorneys for the arbitration defendants; and (5) enjoin the arbitrators from considering any defenses until the arbitration defendants “abide by FINRA Arbitration discovery rules.” (*Doc. No. 2* ¶ 48.) Federal Arbitration Act, 9 U.S.C. §§ 1–307.

A party seeking a preliminary injunction must show: (1) a likelihood of success on the merits; (2) he or she will suffer immediate and irreparable harm if the injunction is denied; (3)

granting relief will not result in even greater harm to the nonmoving party; and (4) the public interest favors such relief. Bimbo Bakeries USA, Inc. v. Botticella, 613 F.3d 102, 109 (3d Cir. 2010).

There appears to be no lawful basis for the relief Plaintiffs seek. This Court may not act as an emergency court of interlocutory appeals from arbitration orders. Plaintiffs have made no showing of immediate or irreparable harm. Indeed, Plaintiffs have not indicated what harm, if any, will occur absent an immediate federal injunction. On the contrary, it appears that Plaintiffs simply wish to nullify arbitration and mediation decisions with which they disagree. Moreover, the FAA—under which Plaintiffs invoke this Court’s jurisdiction—provides Plaintiffs with a limited remedy at law after the arbitration is concluded. See 9 U.S.C. § 10; Gruntal & Co., LLC v. Maharaj, 13 F. Supp. 2d 566 (S.D.N.Y. 1998). Significantly, federal courts have repeatedly enforced arbitration clauses in private contracts. See, e.g., Century Indem. Co. v. Certain Underwriters at Lloyd’s, London, 584 F.3d 513, 522 (3d Cir. 2009) (“FAA expressed a strong federal policy in favor of resolving disputes through arbitration”); 9 U.S.C. § 2 (Arbitration clauses “shall be valid, irrevocable, and enforceable, save upon such grounds as exist at law or in equity for the revocation of any contract.”) The public interest thus favors arbitration over the federal court “end run” Plaintiffs attempt here. Issuing an injunction in these circumstances would certainly harm Defendants, who undoubtedly rely on the lawful enforcement of arbitration clauses in their investment agreements.

In sum, it appears that Plaintiffs have met none of the requirements for immediate injunctive relief. Accordingly, I will deny this Motion.

AND NOW, this 7th day of August, 2012, it is hereby **ORDERED** that Plaintiff's Motion for a Temporary Restraining Order and for Preliminary Injunction (*Doc. No. 2*) is **DENIED without prejudice**. Plaintiffs may renew their request for injunctive relief before the Honorable Anita Brody, to whom this matter is assigned.

AND IT IS SO ORDERED.

/s/ Paul S. Diamond

Paul S. Diamond, J.
Emergency Judge