

United States Court of Appeals
for the Fifth Circuit

United States Court of Appeals
Fifth Circuit

FILED

July 30, 2024

Lyle W. Cayce
Clerk

No. 23-30741

BATON ROUGE VENTURES, L.L.C.; CHARAL BATON ROUGE,
L.L.C.,

Plaintiffs—Appellants,

versus

CEDAR GROVE CAPITAL, L.L.C.,

Defendant—Appellee.

Appeal from the United States District Court
for the Middle District of Louisiana
USDC No. 3:20-CV-628

Before WIENER, ELROD, and WILSON, *Circuit Judges*.

PER CURIAM:*

The parties in this breach-of-contract case invoked federal jurisdiction under 28 U.S.C. § 1332. Where, as here, one or more of the parties is an LLC, each LLC takes on the citizenship of each of its members for purposes of federal diversity jurisdiction. *Harvey v. Grey Wolf Drilling Co.*, 542 F.3d 1077, 1080 (5th Cir. 2008). If members of an LLC are also LLCs, we then

* This opinion is not designated for publication. *See* 5TH CIR. R. 47.5.

No. 23-30741

“trace[] their citizenships down the various organizational layers where necessary.” *Mullins v. TestAmerica, Inc.*, 564 F.3d 386, 397 (5th Cir. 2009). We must examine the basis of our jurisdiction on our own motion, if necessary. *Hill v. City of Seven Points*, 230 F.3d 167, 169 (5th Cir. 2000).

At this court’s request, both parties have submitted letter briefs addressing this court’s jurisdiction. This briefing has raised new factual questions as to the citizenship of Baton Rouge Ventures, LLC. Specifically, Baton Rouge Ventures asserts for the first time on appeal that its ownership structure contains an individual member who is a citizen of New York. Because Cedar Grove Capital, LLC is also, by virtue of its members, a New York citizen, this might destroy complete diversity between the parties and deprive this court of jurisdiction. *See Howery v. Allstate Ins. Co.*, 243 F.3d 912, 920 (5th Cir. 2001); *Strawbridge v. Curtiss*, 7 U.S. (3 Cranch) 267, 267 (1806).

Accordingly, the appeal is held in abeyance, and the case is REMANDED to the district court for further consideration and findings regarding the citizenship of the parties for purposes of diversity jurisdiction. Upon making this determination, the district court shall return the case to this court for further proceedings.