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Fee Exempt Per Govt. Code § 6103

11 SUPERIOR COURT OF THE STATE OF CALIFORNIA
12 COUNTY OF LOS ANGELES – CHATSWORTH COURTHOUSE
13

14
15 **DEPARTMENT OF CANNABIS CONTROL,**

16 Plaintiff,

17 v.

18 **VERTICAL BLISS, INC., KUSHY**
19 **PUNCH, INC., CONGLOMERATE**
20 **MARKETING, LLC, MORE**
21 **AGENCY, INC., RUBEN KACHIAN**
22 **a.k.a. RUBEN CROSS, ARUTYUN**
23 **BARSAMYAN, KEVIN HALLORAN,**
24 **MIKE A. TOROYAN, and DOES 1**
25 **through 30, inclusive,**

26 Defendants.
27
28

Case No. 20CHCV00560

**PLAINTIFF'S NOTICE OF AND EX
PARTE APPLICATION TO INCLUDE
DEFENDANT AKAs INTO THE ORDER
GRANTING PLAINTIFF'S MOTION
FOR SUMMARY JUDGMENT**

Date: December 14, 2022
Time: 8:30 a.m.
Dept: F49
Judge: The Honorable Stephen P.
Pfahler
Trial Date: January 30, 2023
Action Filed: September 23, 2020

1 **TO ALL PARTIES AND THEIR COUNSEL OF RECORD:**

2 **PLEASE TAKE NOTICE** that on December 14, 2022 at 8:30 a.m., or as soon thereafter
3 as the matter may be heard, in Department F49 of the Los Angeles County Superior Court,
4 Chatsworth Courthouse, 9425 Penfield Ave., Chatsworth, CA 91311, the Department of Cannabis
5 Control¹ will apply *ex parte* for an order to include additional aliases for two defendants in the
6 order and judgement in the above entitled action. This application is based upon Rules of Court,
7 rule 3.1200 et seq., the attached memorandum of points and authorities, the concurrently filed
8 Request for Judicial Notice, the Declarations of Gregory M. Cribbs and Helen Koh, upon the
9 records on file in this action, and upon further evidence and arguments that may be presented at
10 the time of hearing on this application.

11 On December 5, 2022, this Court granted Plaintiff's unopposed motion for summary
12 judgment and civil penalties in the amount of \$128,061,000, and ordered that Plaintiff submit a
13 proposed order granting the motion for summary judgment and civil penalties. Plaintiff intends to
14 timely comply with the Court's request to submit an order. However, between the time of the
15 filing of the complaint in this matter, and the Court's granting of the motion for summary
16 judgment, Plaintiff has discovered that Defendant Ruben Kachian AKA Ruben Cross, utilizes
17 another AKA name of "Ruben Khachatryan." In addition, Plaintiff has also discovered that
18 Defendant Arutyun Barsamyan has legally changed his name, by way of court decree, to Harrison
19 Barsamyan. Inclusion of certain defendant AKAs into the order granting plaintiff's motion for
20 summary judgment is necessary as it is anticipated that the defendants may seek to evade
21 execution of the order of summary judgment, and plaintiff's collection of the \$128,061,000 in
22 civil penalties granted by this Court, by transferring properties and/or other assets into the
23 name(s) of other AKAs.

24 ¹ This action was brought in the name of the California Department of Public Health and the
25 Bureau of Cannabis Control, however, as of July 12, 2021 and pursuant to Business and
26 Professions Code §§ 26010.7 and 26012, the Department of Cannabis Control is the legal
27 successor of these agencies in all actions pending before any Court. On January 21, 2022,
28 Plaintiff filed with the Court "Stipulation to Substitution of Parties and Proposed Order", wherein
all parties stipulated and agreed that the proper Plaintiff in this action is the Department of
Cannabis Control.

1 For these reasons, Plaintiff believes, and hereby requests, that the order granting the motion
2 for summary judgment include the additional AKAs for Defendants Ruben Kachian and Arutyun
3 Barsamyan.

4 MEMORANDUM OF POINTS AND AUTHORITIES

5 INTRODUCTION

6 This matter involves eight defendants: four business entities and four natural persons, all of
7 whom were involved in a licensed commercial cannabis manufacturing and distributing business
8 producing edible cannabis and vaping products under the brand name "Kushy Punch." As alleged
9 in the complaint, these individuals and entities were also simultaneously operating an *unlicensed*
10 commercial cannabis manufacturing facility for the purpose of evading applicable state and local
11 taxes and licensing fees while doubling the production capacity of their enterprise and
12 circumventing regulatory safety standards, all for personal profit.

13 After refusal by seven of the eight Defendants to participate in the discovery process, a
14 number of requests for admissions were deemed admitted, and Plaintiff thereafter brought a
15 motion for summary judgment and sought \$128,061,000 in civil penalties. On December 5, 2022,
16 this Court granted Plaintiff's motion for summary judgment against the following defendants: (1)
17 Vertical Bliss, Inc., (2) Kushy Punch Inc., (3) Conglomerate Marketing, LLC, (4) More Agency,
18 Inc., (5) Ruben Kachian AKA Ruben Cross, (6) Arutyun Barsamyan, and (7) Mike A. Toroyan.

19 Plaintiff is now left with the task of collecting the \$128,061,000 in civil penalties. In doing
20 so, Plaintiff anticipates that the collection efforts will, at a minimum, require it to conduct asset
21 and property searches regarding the aforementioned seven defendants. It is also anticipated that
22 these defendants may try to elude Plaintiff's collection efforts by transferring assets and/or
23 properties to other persons, other entities, and other names, which could include AKAs.
24 Accordingly, the Court should grant Plaintiff's request to include the subject AKAs for
25 defendants Ruben Kachian AKA Ruben Cross and Arutyun Barsamyan in the order granting
26 summary judgment, as Plaintiff's motion is timely, is within the Court's inherent powers to
27 control litigation, and serves the interest of judicial economy and equity.
28

LEGAL STANDARD

A court has the inherent power to grant Plaintiff's request to include the AKAs so that Plaintiff can collect the civil penalty that the Court rightfully and legally determined was assessed and owed. In *Rutherford v. Owens-Illinois, Inc.* (1997) 16 Cal.4th 953, the Court summarized the law applicable to a trial court's inherent power to control litigation before it when it stated:

"It is also well established that courts have fundamental inherent equity, supervisory, and administrative powers, as well as inherent power to control litigation before them. [Citations omitted.] 'In addition to their inherent equitable power derived from the historic power of equity courts, all courts have inherent supervisory or administrative powers which enable them to carry out their duties, and which exist apart from any statutory authority.' [Citations omitted.] 'It is beyond dispute that 'Courts have inherent power . . . to adopt any suitable method of practice, both in ordinary actions and special proceedings, if the procedure is not specified by statute or by rules adopted by Judicial Council.'" [Citation.] That inherent power entitles trial courts to exercise reasonable control over all proceedings connected with pending litigation . . . in order to insure the orderly administration of justice. [Citation omitted.] 'Courts are not powerless to formulate rules of procedure where justice demands it.'"

(*Id.* at p. 967.)

Moreover, Code of Civil Procedure section 187 grants every court the power and authority to carry its jurisdiction into effect. (*NEC Electronics Inc. v. Hurt* (1989) 208 Cal.App.3d 772, 778.) Section 187, in pertinent part, states:

When jurisdiction is, by the Constitution or this Code, or by any statute, conferred on a Court or judicial officer, all means necessary to carry it into effect are also given; . . .

(Code Civ. Proc., § 187.)

In *Highland Springs Conference and Training Center v. City of Banning* (2016) 244 Cal.App.4th 267 (*Highland Springs*), the Court stated that this power "includes the authority to amend a judgment to add an alter ego of an original judgment debtor, and thereby make the additional judgment debtor liable on the judgment." (*Id.* at p. 280.) Citing *McClellan v. Northridge Park Townhome Owners Assn.* (2001) 89 Cal.App.4th 746, the Court in *Highland Springs* acknowledged that amending a judgment to add an alter ego of an original judgment

1 debtor “is an equitable procedure based on the theory that the court is not amending the judgment
2 to a add a new defendant but is merely inserting the correct name of the real defendant.” (*Ibid.*)
3 Moreover, the Court in *Highland Springs* also acknowledged that Section 187 contemplates
4 amending a judgment by noticed motion and “is not required to hold an evidentiary hearing on a
5 motion to amend judgment, but may rule on the motion based solely on declarations and other
6 written evidence.” (*Ibid.*)

7 Here, and by analogy, the inclusion of AKAs for Defendants Ruben Kachian and Arutyun
8 Barsamyan into the order granting Plaintiff’s motion for summary serves the same equitable
9 principles as amending a judgment against a “real defendant” and should be subject to the same
10 consideration and procedures by this Court.

11 ARGUMENT

12 **I. THE COURT SHOULD ALLOW INCLUSION OF DEFENDANT ARUTYUN BARSAMYAN** 13 **AKA HARRISON BARSAMYAN IN THE ORDER GRANTING PLAINTIFF’S MOTION FOR** 14 **SUMMARY JUDGMENT**

15 On September 23, 2020, the California Department of Public Health and the Bureau of
16 Cannabis Control, the predecessor agencies of the Plaintiff, jointly filed the complaint for civil
17 penalties pursuant to Business and Professions Code section 26038. On March 1, 2021, a joint
18 answer, which included Defendant Arutyun Barsamyan, was filed.

19 On January 21, 2022, the Los Angeles County Superior Court (Case No. 21BBCP00474),
20 entered an order/decreed that Defendant Arutyun Barsamyan’s name be legally changed to
21 Harrison Barsamyan. (See Request for Judicial Notice (RJN), Exhibit A.)

22 As set forth above, on December 5, 2022, this Court granted Plaintiff’s motion for summary
23 judgment in the amount of \$128,061,000 against Defendant Arutyun Barsamyan, and six other
24 defendants.

25 Based upon this Court’s inherent powers, and the analogous case law cited above, it should
26 order that Plaintiff’s order granting summary judgment include Defendant Arutyun Barsamyan’s
27 new legal name, or AKA, Harrison Barsamyan. Such action, as set forth in *Highland Springs*, is
28 within this Court’s inherent powers to control this litigation, including but not limited to, this ex
parte application and motion that does not seek to “add a new defendant,” but instead to “insert

1 the name of the real defendant.” Moreover, such action does not require an evidentiary hearing,
2 but instead can be ruled on based upon written evidence, such as the decree changing name,
3 presented herein with this ex parte application. (*Highland Springs, supra*, 208 Cal.App.3d at p.
4 280.)

5 **II. THE COURT SHOULD ALLOW INCLUSION OF DEFENDANT RUBEN KACHIAN AKA**
6 **RUBEN KHACHATRYAN IN THE ORDER GRANTING PLAINTIFF’S MOTION FOR**
7 **SUMMARY JUDGMENT**

8 In August 2020, for the purpose of identifying the correct names of the defendants in
9 preparation for filing the complaint, the Attorney General’s Office conducted a PeopleMap
10 (Westlaw) and Lexis Public Records search² for Ruben Kachian. (Declaration of Helen Koh, p.
11 2, ¶¶ 2 and 3.) Defendant Ruben Kachian’s correct date of birth was used as a unique identifier.³
12 (Declaration of Helen Koh, p. 2, ¶ 2.) The PeopleMap (Westlaw) search and report did not
13 produce Defendant Ruben Kachian’s AKA Ruben Khachatryan, therefore, it was not included in
14 the complaint. (Declaration of Helen Koh, p. 2, ¶ 3.)

15 In April 2022, as the litigation progressed and as Defendant Ruben Kachian (and the other
16 six defendants) continued to make no material responses to any written discovery requests and
17 ignored and violated this Court’s orders compelling them to produce discovery responses, the
18 Attorney General’s Office sought to update the PeopleMap (Westlaw) report for defendant Ruben
19 Kachian using the same date of birth as a unique identifier. (Declaration of Helen Koh, p. 2-3, ¶¶
20 4-6.) The PeopleMap (Westlaw) search and report in April 2022, provided two new Florida
21 addresses associated with Defendant Ruben Kachian, and identified a new name variation, or
22 AKA, of “Ruben Khachatryan.” (Declaration of Helen Koh, p. 3, ¶ 4.) The Attorney General’s
23 Office then conducted an additional Lexis Public Records search which revealed that Defendant

24 ² PeopleMap and Lexis Public Records are proprietary investigatory search tools
25 available to subscribers of Thomson Reuters Westlaw and Lexis. Authorized users can research
26 persons or businesses located in the United States by inputting search parameters such as a
27 first/last or business name, city/state, last four digits of a social security number, federal employer
28 identification number, and/or date of birth. PeopleMap and Lexis Public Records both conduct
public records searches based on the inputted search parameters and provide a list of potential
results. The user then reviews the search results for relevance and comprehensive reports are
generated at the user’s request.

³ Ruben Kachian’s date of birth was obtained from his application for a manufacturer’s
license, signed by Ruben Kachian on May 13, 2019. (Declaration of Helen Koh, p. 3, ¶ 6.; Ex. 3,
attached thereto)

1 Ruben Kachian registered to vote, and obtained a driver's license, in the State of Florida, under
2 the alias, or AKA, "Ruben Khachatryan." (Declaration of Helen Koh, p. 3, ¶¶ 5-6; Exhibit 3.)
3 Based upon the Attorney General's Office's research and investigation, and the documentary
4 evidence provided to this Court, there is no doubt that Defendant Ruben Kachian also uses the
5 alias, or AKA, "Ruben Khachatryan."

6 As with Defendant Barsamyan, and again based upon this Court's inherent powers, and the
7 analogous case law cited above, it should order that Plaintiff's order granting summary judgment
8 include Defendant Ruben Kachian's AKA, Ruben Khachatryan. Such action, as set forth in
9 *Highland Springs*, is within this Court's inherent powers to control this litigation, including but
10 not limited to, this ex parte application and motion that does not seek to "add a new defendant,"
11 but instead to "insert the name of the real defendant." Moreover, such action does not require an
12 evidentiary hearing, but instead can be ruled on based upon written evidence, such as the decree
13 changing name, presented herein with this ex parte application. (*Highland Springs, supra*, 208
14 Cal.App.3d at p. 280.)

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1 **CONCLUSION**

2 For the reasons set forth above, the Department of Cannabis Control respectfully requests
3 that the Court grant its request to include Defendant Ruben Kachian's AKA "Ruben
4 Khachatryan" and Defendant Arutyun Barsamyan's new legal name, or AKA, "Harrison
5 Barsamyan" in its order granting motion for summary judgment.

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7 Dated: December 12, 2022

Respectfully submitted,

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