United States Court of Appeals for the Fifth Circuit

United States Court of Appeals
Fifth Circuit
FILED
February 25, 2021
Lyle W. Cayce
Clerk

No. 20-50526
Summary Calendar

ELIZABETH TRUJILLO,

Plaintiff—Appellant,

versus

VOLT MANAGEMENT CORPORATION, *doing business as* VOLT WORKFORCE SOLUTIONS; SCHNEIDER ELECTRIC BUILDINGS AMERICAS, INCORPORATED, *doing business as* SCHNEIDER ELECTRIC; SCHNEIDER ELECTRIC USA, INCORPORATED, *doing business as* SCHNEIDER ELECTRIC,

Defendants—Appellees.

Appeal from the United States District Court
for the Western District of Texas
USDC No. 3:19-CV-337

Before JOLLY, ELROD, and GRAVES, *Circuit Judges*.

PER CURIAM:*

Elizabeth Trujillo appeals the district court's order compelling

* Pursuant to 5TH CIRCUIT RULE 47.5, the court has determined that this opinion should not be published and is not precedent except under the limited circumstances set forth in 5TH CIRCUIT RULE 47.5.4.

arbitration in this case. We AFFIRM.

I.

Trujillo was an employee of Volt, an employee leasing company, where she worked as an on-site coordinator at Schneider Electric and handled human resources functions for employees that Volt leased to Schneider. She alleges that she requested an accommodation for a disability and that that request was denied and that she was terminated for retaliatory reasons. She sued Volt and Schneider in state court.

Schneider removed the case to the United States District Court for the Western District of Texas. Volt filed a motion to compel Trujillo to arbitrate her claims against Volt and Schneider. Volt produced evidence that Trujillo had agreed to arbitration four separate times before and during her employment with Volt. Trujillo argued that the arbitration agreement presented by Volt was deficient for three reasons: (1) Trujillo did not sign the most recent arbitration agreement; (2) Volt did not meet its burden to show it provided Trujillo with notice of an arbitration agreement or that Volt accepted it; and (3) Schneider is a non-signatory to the proffered arbitration. On these grounds, Trujillo opposed Volt's Motion to Compel Arbitration.

The district court granted Volt's Motion to Compel Arbitration and ordered all parties to arbitrate all claims. It held that the arbitration agreement was valid and enforceable as to both Volt and Schneider because Schneider, though a non-signatory to the agreement, had a close relationship with Volt and because Trujillo's claims against Schneider were intertwined with the underlying contract with Volt. Trujillo filed a Motion for Relief from Judgment, which Volt opposed. The district court denied Trujillo's motion and entered a final judgment dismissing Trujillo's suit against both Volt and Schneider. Trujillo timely appealed.

II.

When a district court compels arbitration and dismisses the action, its order is a final judgment and is immediately appealable under the Federal Arbitration Act ("FAA"). *Green Tree Fin. Corp.-Alabama v. Randolph*, 531 U.S. 79, 89 (2000). We review a district court's order compelling arbitration *de novo*. *Hays v. HCA Holdings, Inc.*, 838 F.3d 605, 608 (5th Cir. 2016). However, we review a district court's use of equitable estoppel to compel arbitration for abuse of discretion. *Id.* "A district court abuses its discretion if it premises its decision on an erroneous application of the law or a clearly erroneous assessment of the evidence." *Id.* (quoting *Gross v. GGNSC Southaven, LLC*, 817 F.3d 169, 175 (5th Cir. 2016). We "may affirm the district court's judgment on any basis supported by the record." *Id.* (quoting *In re Complaint of Settoon Towing, LLC*, 720 F.3d 268, 280 (5th Cir. 2013)).

III.

On appeal, Trujillo argues that the district court erred in granting Volt's Motion to Compel Arbitration and in holding that Trujillo must arbitrate her claims against Schneider even though Schneider is a non-signatory to the arbitration agreement. We address each of her arguments in turn.

A.

Trujillo argues that she should not be compelled to arbitrate with Volt and Schneider because she never signed an arbitration agreement.

"Enforcement of an arbitration agreement involves two analytical steps: (1) whether there is a valid agreement to arbitrate; and (2) whether the dispute falls within the scope of that agreement." *Huckaba v. Ref-Chem, L.P.*, 892 F.3d 686, 688 (5th Cir. 2018). Determining whether a valid arbitration agreement exists is a question of state contract law. *Id.* Here, "[u]nder Texas

law, a binding contract requires: (1) an offer; (2) an acceptance in strict compliance with the terms of the offer; (3) a meeting of the minds; (4) each party's consent to the terms; and (5) execution and delivery of the contract with intent that it be mutual and binding." *Id.* at 689. For the last element, "whether a signature is required to bind the parties is a question of the parties' intent." *Id.* An employer moving to compel arbitration bears the burden of showing that the proffered agreement is valid. *J.M. Davidson, Inc. v. Webster*, 128 S.W.3d 223, 228 (Tex. 2003).

Trujillo argues that she did not sign an arbitration agreement and, therefore, she is not bound to the agreement. However, Trujillo does not challenge: (1) that she completed and submitted the job application that contained an arbitration agreement; (2) that she accepted employment with Volt knowing that, as a condition of employment, she would agree to submit her claims to arbitration; (3) that she continued working for Volt after receiving the Alternative Dispute Resolution policy as part of Volt's employee handbook; nor (4) that her employment claims fall within the scope of the arbitration agreement. Accordingly, the district court determined that Trujillo's argument lacked merit because Volt had established that its arbitration agreements were valid. Volt produced copies of multiple arbitration agreements Trujillo had signed before and during her employment with Volt.

In *Huckaba*, we noted that a signature is not required to bind the parties to a contract unless the parties intended to require a signature. 892 F.3d at 689. In that case, we found that the parties expressly intended to require signatures where the arbitration agreement between them contained language necessitating signatures to give effect to the agreement. *Id.*

Unlike in *Huckaba*, the arbitration agreement here does not contain express language indicating that the parties intended to be bound to the

arbitration agreement only if the parties signed the agreement. The district court noted that the FAA does not require arbitration agreements to be signed for a court to enforce them. Therefore, the district court determined that the lack of Trujillo's signature on the arbitration agreement did not preclude the court from enforcing the arbitration provision of the contract.

In this case, there is nothing more than a blank signature block that speaks to the party's intent and there is no language that the parties needed to sign the agreements to give it effect. Moreover, "Texas courts have held that a signature block by itself is insufficient to establish the parties' intent to require signatures." *Huckaba*, 892 F.3d at 689. Thus, the district court did not err in holding that the arbitration agreements are valid and enforceable even without Trujillo's signature.

B.

Trujillo next argues that the district court abused its discretion by determining that Volt had produced competent evidence showing a valid agreement to arbitrate. Trujillo says that Volt's evidence did not comply with the evidentiary standards for a motion for summary judgment.

Under Texas law, a motion to compel arbitration is treated as a motion for partial summary judgment and is subject to the same evidentiary standards. *In re Jebbia*, 26 S.W.3d 753, 756–57 (Tex. App.—Houston [14th Dist.] 2000). This court has determined that "[a]t the summary judgment stage evidence need not be authenticated" so long as it is capable of being presented in an admissible form. *Maurer v. Independence Town*, 870 F.3d 380, 384 (5th Cir. 2017).

The district court held that Volt produced competent evidence showing a valid agreement to arbitrate. The district court based its finding on this court's holding in *Maurer* that in a motion for summary judgment the evidence does not need to be in a format that would be admissible at trial,

rather the party offering the summary judgment evidence must be able to prove the underlying facts at trial with admissible evidence. *See id.* The district court further noted that under the best evidence rule, Trujillo failed to raise a genuine question about the authenticity of Volt's exhibits and also failed to argue why it would be unfair to admit them.

We hold that the district court did not abuse its discretion in determining that Volt had produced competent evidence showing a valid agreement to arbitrate because there is nothing to compel a conclusion that the underlying facts, presented by Volt, would not be able to be proven at trial with admissible evidence.

C.

Finally, Trujillo argues that the district court erred by compelling her to arbitrate her claims against non-signatory Schneider because, under Texas law, intertwined claims estoppel does not apply.

A non-signatory to an arbitration agreement is entitled to compel arbitration "if the relevant state contract law so permits." *Crawford Pro. Drugs, Inc. v. CVS Caremark Corp.*, 748 F.3d 249, 261 (5th Cir. 2014). In this case, the district court compelled arbitration between Trujillo and Schneider on the basis that Trujillo's claims against Volt are intertwined with her claims against Schneider. "Intertwined claims estoppel involves compelling arbitration when a nonsignatory defendant has a 'close relationship' with one of the signatories and the claims are 'intimately founded in and intertwined with the underlying contract obligations.'" *Hays*, 838 F.3d at 610 (quoting *In re Merrill Lynch Trust Co. FSB*, 235 S.W.3d 185, 193–94 (Tex. 2007) (cleaned up). This applies when there is a "tight relatedness of the parties, contracts, and controversies." *Id.* (quoting *JLM Indus., Inc. v. Stolt-Nielsen, SA*, 387 F.3d 163, 177 (2d Cir. 2004)).

Although the Texas Supreme Court has not clearly recognized intertwined claims estoppel, this court in *Hays* made an "*Erie* guess" as to what the Texas Supreme Court would decide and held that "the Texas Supreme Court, if faced with the question, would adopt intertwined claims estoppel." *Id.* at 611–12.

Recognizing that the Texas Supreme Court has not yet expressly decided the intertwined claims estoppel issue, the district court held that Trujillo is compelled to arbitrate against Schneider because the claims and factual allegations raised by Trujillo against Volt and Schneider are indistinguishable and her claims against Schneider are "intimately founded in and intertwined with" Trujillo's underlying contract with Volt. *See id.* at 610. The district court also found a tight relatedness of the parties, contracts, and controversies. Therefore, the district court concluded that even though Schneider is a non-signatory to the agreement, under intertwined claims estoppel, Trujillo is compelled to arbitrate her claims against both Volt and Schneider.

Texas's test for arbitration by intertwined claims estoppel—which informs our *Erie* guess as to whether Texas would adopt such a test—allows a non-signatory to an arbitration agreement to compel arbitration. Accordingly, the district court did not err by compelling Trujillo to arbitrate against non-signatory Schneider. We hold that Texas law would permit non-signatory Schneider to compel the signatory Trujillo to arbitrate her claims.

III.

For the foregoing reasons, we AFFIRM.