1 2 3 4 5 UNITED STATES DISTRICT COURT 6 WESTERN DISTRICT OF WASHINGTON AT SEATTLE 7 POWERWAND INC., CASE NO. 2:22-cv-01413-JHC 8 Plaintiff, ORDER GRANTING MOTION FOR 9 **DEFAULT JUDGMENT** v. 10 HEFAI NENIANG TRADING CO., LTD. and TAO HAN, 11 Defendants. 12 13 14 I 15 INTRODUCTION 16 This matter comes before the Court on Plaintiff Powerwand Inc.'s Motion for Default 17 Judgment against Defendants Hefai Neniang Trading Co., Ltd. and Tao Han. Dkt. # 14. The 18 motion is unopposed. See generally Dkt. The Court has considered the motion, the record, and 19 the applicable law. Being fully advised, the Court GRANTS the motion. 20 II 21 BACKGROUND 22 Powerwand is a Texas-based corporation that designs and sells custom apparel. Dkt. # 1 23 at 2–4. Powerwand owns exclusive rights to various intellectual property, including copyright 24



protection for 19 original photographs and trademark registration for the "INAKA" family of brands. *Id.* at 5, 11. Defendant Hefai Neniang Trading is a Chinese corporation and retailer with an ecommerce storefront on Amazon.com (Amazon). *Id.* at 2. Defendant Tao Han is the legal representative and sole shareholder of Hefai Neniang Trading. *Id.*

In February and May 2022, Powerwand shared photos on social media to promote the launch of its new apparel and designs. *Id.* at 4. Soon after, Defendants listed and began offering nine new shorts products on their Amazon storefront. *Id.* Defendants' offerings incorporated Powerwand's trademarked designs, referenced "Inaka" in the listing titles, and included identical images to the product photos from Powerwand's social media sites. *Id.* at 4–5.

On September 17, 2022, Powerwand filed 25 notices through Amazon's online Digital Millennium Copyright Act (DMCA) complaint process, requesting that Amazon remove 25 of Defendants' product listings for displaying Powerwand's copyrighted and trademarked material without authorization. *Id.* at 5. Amazon took down the challenged listings the next day. *Id.* at 6. Defendants responded to the takedown notices by filing 25 counter-notifications with Amazon's DMCA system. *Id.* Powerwand received notice of the counter-notifications from Amazon on September 20, 2022 and filed this action on October 4, 2022. *Id.*

Powerwand served Defendants by email in January 2023 after the Court granted leave to serve process by alternative means. Dkt. ## 10, 11. The Clerk entered an Order of Default against Defendants in May 2023. Dkt. # 13. Powerwand then filed the motion at issue, seeking default judgment, monetary damages, and permanent injunctive relief. Dkt. # 14.



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DISCUSSION

A. Legal Standards

If a defendant fails to plead or otherwise defend, the clerk enters the party's default. Fed. R. Civ. P. 55(a). Then, upon a plaintiff's request or motion, the court may grant default judgment for the plaintiff. Fed. R. Civ. P. 55(b)(2); see Aldabe v. Aldabe, 616 F.2d 1089, 1092 (9th Cir. 1980). On default judgment motions, "[t]he court must accept all well-pled allegations of the complaint as established fact, except allegations related to the amount of damages." UN4 Prods., Inc. v. Primozich, 372 F. Supp. 3d 1129, 1133 (W.D. Wash. 2019) (citing TeleVideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917–18 (9th Cir. 1987)). Courts typically consider these seven "Eitel" factors when evaluating a request for a default judgment:

(1) the possibility of prejudice to the plaintiff, (2) the merits of plaintiff's substantive claim, (3) the sufficiency of the complaint, (4) the sum of money at stake in the action; (5) the possibility of a dispute concerning material facts; (6) whether the default was due to excusable neglect, and (7) the strong policy underlying the Federal Rules of Civil Procedure favoring decisions on the merits.

Eitel v. McCool, 782 F.2d 1470, 1471–72 (9th Cir. 1986). Because default judgments are generally disfavored, "default judgment is appropriate only if the well-pleaded factual allegations of the complaint suffice to establish a plaintiff's entitlement to a judgment under the applicable law." Dentist Ins. Co. v. Luke St. Marie Valley Dental Grp., P.L.L.C., No. 2:21-cv-01229-JHC, 2022 WL 1984124, at *2 (W.D. Wash. Jun. 6, 2022) (citing DIRECTV, Inc. v. Hoa Huynh, 503 F.3d 847, 855 (9th Cir. 2007)).

B. Application of *Eitel* Factors

All seven *Eitel* factors support Powerwand's motion. Default judgment is therefore an appropriate remedy in this case.



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Prejudice to Plaintiff

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"[P]rejudice exists where the plaintiff has no recourse for recovery other than default

judgment." Curtis v. Illumination Arts, Inc., 33 F. Supp. 3d 1200, 1211 (W.D. Wash. 2014)

(citation and internal quotation marks omitted). As Defendants have failed to respond to this

action, default judgment is Powerwand's only means for recovery. See Eve Nevada, LLC v.

Derbyshire, No. 21-0251-LK, 2022 WL 279030, at *3 (W.D. Wash. Jan. 31, 2022) (first Eitel

factor favors entry of default judgment when the defendant "failed to respond or otherwise put

forth a defense"). Thus, this factor supports default judgment.

2. Merits of Plaintiff's claims and sufficiency of complaint

"Courts often consider the second and third Eitel factors together." Developers Sur. and Indem. Co. v. View Point Builders, Inc., No. C20-0221JLR, 2020 WL 3303046, at *5 (W.D. Wash. Jun. 17, 2022). As noted above, for the purpose of this motion, the Court must accept all well-pleaded allegations in the complaint as true. See UN4 Prods, 372 F. Supp. 3d at 1133. Accepting such allegations, the Court finds that the second and third *Eitel* factors support default judgment for all five claims.

> (a) Direct copyright infringement (claim one)

Powerwand alleges that Defendants engaged in direct and willful copyright infringement in violation of the Copyright Act. Dkt. # 14 at 4. To establish a claim for direct copyright infringement, a plaintiff must 1) "show ownership of the allegedly infringed material" and 2) "demonstrate that the alleged infringers violate at least one exclusive right granted to copyright holders under 17 U.S.C. § 106." A&M Records, Inc. v. Napster, Inc., 239 F.3d 1004, 1013 (9th Cir. 2001). To prove that a defendant engaged in willful copyright infringement, "the plaintiff must show (1) that the defendant was actually aware of the infringing activity, or (2) that the defendant's actions were the result of 'reckless disregard' for, or 'willful blindness' to, the



copyright holder's rights." Louis Vuitton Malletier, S.A. v. Akanoc Sols., Inc., 658 F.3d 936, 944 (9th Cir. 2011) (quoting Island Software & Comput. Serv., Inc. v. Microsoft Corp., 413 F.3d 257, 263 (2d Cir. 2005)). If an infringer makes no attempt to inquire into whether the item was subject to copyright protection, the infringer may be found to have acted with reckless disregard or willful blindness. See Unicolors, Inc. v. Urban Outfitters, Inc., 853 F.3d 980, 991 (9th Cir. 2017).

The allegations in the complaint, if taken as true, support Powerwand's copyright infringement claim. Powerwand produced the 19 original photographs at issue and later secured U.S. Copyright Registrations for all 19 images. Dkt. ## 1 at 7, 15 at 32–39. As the copyright owner, Powerwand possesses exclusive rights under 17 U.S.C. § 106 to display, reproduce, and distribute these images. Dkt. # 1 at 7. By using Powerwand's copyrighted works without authorization, Defendants violated Powerwand's exclusive rights under 17 U.S.C. § 106. Defendants thus directly and willfully infringed on Powerwand's copyrights under 17 U.S.C. § 501. See Derek Andrew, Inc. v. Poof Apparel Corp., 528 F.3d 696, 702 (9th Cir. 2008) (allegation of willfulness deemed admitted on default); Dkt. # 1 at 9.

(b) Abuse of DMCA counter-notifications (claim two)

Under 17 U.S.C. § 512(f), "[a]ny person who knowingly materially misrepresents under this section (1) that material or activity is infringing, or (2) that material or activity was removed or disabled by mistake or misidentification, shall be liable for any damages." Defendants filed counter-notifications with Amazon stating that "[they had] a good faith belief that the material . . . was removed or disabled as a result of mistake or misidentification." Dkt. # 1 at 13.

Accepting Powerwand's allegations as true, Defendants' counter-notifications contained materially false information. *Id.* Defendants thus violated 17 U.S.C. § 512(f) by "knowingly



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