

UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF
WASHINGTON

Balkrishna Setty et al. v. Shrinivas Sugandhalaya LLP et al.

Case No. C17-1146-MLP · No. C17-1146-MLP · Decided December 22, 2025

SUMMARY

The United States District Court for the Western District of Washington grants in part Plaintiffs’ motion for default judgment and a permanent injunction in a dispute involving allegedly deceptive use of a Bengaluru address on machine-made incense products. The Court finds viable claims under the Lanham Act and Washington Consumer Protection Act, awards \$4,931,388.00 in damages, \$3,771,777.95 in prejudgment interest, and \$802,421.48 in attorney fees and costs, and considers injunctive relief. The order denies an requested injunction concerning communications about Plaintiffs’ mark and trade dress non-infringement.

CASE DETAILS

COURT	United States District Court for the Western District of Washington
WRITING FOR THE COURT	Michelle L. Peterson
JURISDICTION	United States District Court for the Western District of Washington
DECIDED	December 22, 2025
DOCKET	C17-1146-MLP
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiffs moved for entry of default judgment and a permanent injunction after default was entered against Defendant. The court granted the motion in part, awarding damages, prejudgment interest, attorney fees, and costs and entering a permanent injunction.
STANDARD OF REVIEW	On a motion for default judgment, well-pleaded factual allegations are taken as true, but legal conclusions and facts that are not well pleaded are not admitted. Damages must be established by evidence rather than merely accepted from the complaint. The court applied the seven Eitel factors and reviewed the requested relief for evidentiary support and legal sufficiency.
PRECEDENTIAL VALUE	Unknown; district court order with no reporter citation or stated precedential status.

TOPICS

trademark infringement

default judgment

consumer protection

injunctions

attorney fees

PRACTICE AREAS

trademark law

consumer protection

commercial litigation

civil procedure

remedies

QUESTIONS PRESENTED

1. Whether default judgment should be entered on Plaintiffs' Lanham Act false-designation-of-origin and false-advertising claims and Washington Consumer Protection Act claim.
2. Whether Plaintiffs established entitlement to damages based on Defendant's infringing sales.
3. Whether Plaintiffs were entitled to prejudgment interest on the damages award.
4. Whether Plaintiffs were entitled to attorney fees and costs under the Washington Consumer Protection Act.
5. Whether Plaintiffs satisfied the requirements for a permanent injunction.
6. Whether Plaintiffs were entitled to an injunction concerning Defendant's communications asserting that Plaintiffs' use of the mark was unauthorized.

HOLDINGS

1. Default judgment was warranted on Plaintiffs' Lanham Act false-designation-of-origin, false-advertising, and Washington Consumer Protection Act claims because the well-pleaded allegations established viable claims and six of the seven Eitel factors favored judgment.
2. Plaintiffs were entitled to \$4,931,388.00 in damages based on Defendant's net profits attributable to infringing sales.
3. Plaintiffs were entitled to \$3,771,777.95 in prejudgment interest because the damages claim was sufficiently liquidated and the amount could be determined from Defendant's sales and costs.
4. Plaintiffs were entitled to \$685,865.90 in attorney fees and \$116,555.58 in costs and expenses under the Washington Consumer Protection Act.
5. A permanent injunction was warranted, and Defendant was enjoined from displaying Plaintiffs' Bengaluru address or any confusingly similar variation on products, packaging, websites, or advertising.

KEY QUOTATIONS

“Entry of default does not establish “necessary facts not contained in the pleadings, and claims which are legally insufficient.”” (§ III.A)

“The Lanham Act nonetheless provides flexibility to determine an appropriate award.” (§ III.B.1)

“Finding all four factors satisfied, the Court will enter an injunction.” (§ III.B.4)

FACTUAL BACKGROUND

Plaintiffs manufacture higher-quality handmade incense in Bengaluru, India, while Defendant sold machine-made incense products using packaging and marketing displaying Plaintiffs' Bengaluru address. Because both parties used the Shrinivas Sugandhalaya mark, Plaintiffs alleged that the address caused consumers to confuse Defendant's products with Plaintiffs' products, resulting in lost sales and goodwill. Defendant litigated the case for several years but intentionally defaulted after its last attorney withdrew and it failed to retain new counsel.

PROCEDURAL HISTORY

Plaintiffs initially filed the action in the Northern District of Alabama in December 2016. Defendant appeared in May 2017, and the action was transferred to the Western District of Washington in July 2017. After years of litigation involving transfer, appeals, remand, administrative closure, and reopening, Defendant's counsel withdrew and Defendant failed to appear through new counsel; default was entered on August 25, 2025. Plaintiffs then moved for default judgment and permanent injunctive relief.

DISPOSITION

other

CASES CITED

- DIRECTV, Inc. v. Hoa Huynh, 503 F.3d 847, 854 (9th Cir. 2007)
- Nishimatsu Construction Co., Ltd. v. Houston National Bank, 515 F.2d 1200, 1206 (5th Cir. 1975)
- Cripps v. Life Insurance Co. of North America, 980 F.2d 1261, 1267 (9th Cir. 1992)
- Eitel v. McCool, 782 F.2d 1470, 1471-72 (9th Cir. 1986)
- Curtis v. Illumination Arts, Inc., 33 F. Supp. 3d 1200, 1211 (W.D. Wash. 2014)
- Freecycle Network, Inc. v. Oey, 505 F.3d 898, 902 (9th Cir. 2007)
- A.H. Lundberg Associates, Inc. v. TSI, Inc., 2014 WL 5365514, at *2 (W.D. Wash. Oct. 21, 2014)
- Jack Russell Terrier Network of Northern California v. American Kennel Club, Inc., 407 F.3d 1027, 1037 (9th Cir. 2005)
- Amazon.com, Inc. v. Wong, 2024 WL 553695, at *5 (W.D. Wash. Feb. 12, 2024)
- Howard v. Patenaude & Felix APC, 634 F. Supp. 3d 990, 1013 (W.D. Wash. 2022)
- Sun Life Assurance Co. of Canada v. Estate of Wheeler, 2020 WL 433352, at *5 (W.D. Wash. Jan. 28, 2020)
- Standard Insurance Co. v. Asuncion, 43 F. Supp. 3d 1154, 1157 (W.D. Wash. 2014)
- Transamerica Life Insurance Co. v. Arutyunyan, 93 F.4th 1136, 1147 (9th Cir. 2024)
- Hernandez v. City of El Monte, 138 F.3d 393, 399 (9th Cir. 1998)
- NewGen, LLC v. Safe Cig, LLC, 840 F.3d 606, 617 (9th Cir. 2016)
- Geddes v. United Financial Group, 559 F.2d 557, 560 (9th Cir. 1977)
- Pope v. United States, 323 U.S. 1, 12 (1944)
- Vitamins Online, Inc. v. Heartwise, Inc., 71 F.4th 1222, 1241 (10th Cir. 2023)
- U-Haul International, Inc. v. Jartran, Inc., 793 F.2d 1034, 1041 (9th Cir. 1986)
- In re Exxon Valdez, 484 F.3d 1098, 1100-01 (9th Cir. 2007)

- Oak Harbor Freight Lines, Inc. v. Sears Roebuck & Co., 513 F.3d 949, 961 (9th Cir. 2008)
- Weyerhaeuser Co. v. Commercial Union Insurance Co., 142 Wn.2d 654, 685 (Wash. 2000)
- Prier v. Refrigeration Engineering Co., 74 Wn.2d 25, 32 (Wash. 1968)
- Hansen v. Rothaus, 107 Wn.2d 468, 473 (Wash. 1986)
- Unigard Insurance Co. v. Mutual of Enumclaw Insurance Co., 160 Wn. App. 912, 925 (Wash. App. 2011)
- OTR Wheel Engineering, Inc. v. W. Worldwide Services, Inc., 743 F. App'x 771, 777 (9th Cir. 2018)
- Rekhter v. State, Department of Social & Health Services, 180 Wn.2d 102, 125 (Wash. 2014)
- Octane Fitness, LLC v. ICON Health & Fitness, Inc., 572 U.S. 545, 554 & n.6 (2014)
- Fogerty v. Fantasy, Inc., 510 U.S. 517, 534 (1994)
- Shayler v. 1310 PCH, LLC, 51 F.4th 1015, 1020 (9th Cir. 2022)
- Kelly v. Wengler, 822 F.3d 1085, 1099 (9th Cir. 2016)
- Hensley v. Eckerhart, 461 U.S. 424, 434 (1983)
- eBay Inc. v. MercExchange, L.L.C., 547 U.S. 388, 391 (2006)
- Advanced Hair Restoration LLC v. Parsa Mohebi, M.D., Inc., 793 F. Supp. 3d 1306, 1319 (W.D. Wash. 2025)