

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF
WEST VIRGINIA

St. Joseph Health Center, LLC, and St. Joseph Operating Company,
LLC v. Cedar Holdings, LLC

No. 2:25-cv-00579, United States District Court for the Southern District of West Virginia (January 6, 2026)

SUMMARY

The United States District Court for the Southern District of West Virginia granted the plaintiffs’ motion for costs and attorney fees under Federal Rule of Civil Procedure 4(d)(2), awarding \$1,175.00. The court also granted default judgment and confirmed a JAMS arbitration award totaling \$500,000 in damages and \$106,442.15 in attorney fees and costs, along with applicable interest. The action was dismissed from the court’s docket after entry of judgment.

CASE DETAILS

COURT	United States District Court for the Southern District of West Virginia
JURISDICTION	United States District Court for the Southern District of West Virginia
DECIDED	January 6, 2026
DOCKET	2:25-cv-00579
DISPOSITION	dismissed
PROCEDURAL POSTURE	Plaintiffs sought costs and attorney fees under Federal Rule of Civil Procedure 4(d)(2), entry of default, default judgment, and confirmation of a JAMS arbitration award after Defendant failed to accept waiver of service, failed to appear, and failed to oppose the motions.
STANDARD OF REVIEW	On an unopposed motion for default judgment, the court determines whether default judgment is appropriate based on the allegations of the pleading, accepting well-pleaded factual allegations as true, and reviews the supporting documentation to determine the amount due.
PRECEDENTIAL VALUE	unknown

TOPICS

- default judgment
- arbitration
- service of process
- attorney fees
- breach of contract

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether Defendant's failure without good cause to sign and return Plaintiffs' requested waiver of service required an award of service costs and reasonable attorney fees under Federal Rule of Civil Procedure 4(d)(2).
2. Whether default judgment was appropriate where Defendant failed to appear or defend the action.
3. Whether the court should confirm the final arbitration award under the Federal Arbitration Act.

HOLDINGS

1. Because Defendant failed without good cause to sign and return the requested waiver of service, Plaintiffs were entitled to recover the \$195 process-server cost and \$980 in attorney fees, totaling \$1,175.00.
2. Default judgment was appropriate because Defendant failed to appear or defend, the complaint and supporting documentation established the amount due, and Defendant was not a minor or incompetent person.
3. The court confirmed the September 22, 2024 JAMS Final Arbitration Award pursuant to the Federal Arbitration Act and entered judgment requiring Defendant to pay the awarded damages, fees, costs, and interest.

KEY QUOTATIONS

“The Plaintiffs attached supporting documentation, and the Defendant has not appeared in this matter, including to oppose the motion for fees.” (at 1)

“When the party against whom a default judgment is sought fails to make an appearance or fails to respond to the motion for default judgment, the court must determine if default judgment is appropriate based upon the allegations of the pleading, accepting factual allegations as true.” (at 2)

FACTUAL BACKGROUND

Plaintiffs submitted an alleged breach-of-contract dispute to arbitration, and the arbitrator entered an award in their favor after Defendant indicated it would not appear or present a defense. The award provided \$500,000 in damages, \$106,442.15 in attorney fees and costs, and pre- and post-judgment interest. Defendant also failed to accept Plaintiffs' requested waiver of service, requiring personal service, and did not appear or oppose the federal motions.

PROCEDURAL HISTORY

Plaintiffs filed a complaint seeking confirmation of an arbitration award on April 21, 2025. After Defendant failed to accept requested waiver of service, Plaintiffs served Defendant personally on August 13, 2025, but Defendant still did not appear or defend. The court granted Plaintiffs' motion for Rule 4(d)(2) costs and fees,

granted default judgment and final confirmation of the arbitration award, entered judgment for Plaintiffs, and dismissed the matter from the docket.

DISPOSITION

dismissed

CASES CITED

- Matrix Fin. Servs. Corp. v. Hall, No. 3:16-CV-09438, 2017 WL 3142337, at *2 (S.D.W. Va. July 25, 2017)
- Ryan v. Homecomings Fin. Network, 253 F.3d 778, 780-81 (4th Cir. 2001)

OPINION

IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF WEST VIRGINIA CHARLESTON DIVISION ST. JOSEPH HEALTH CENTER, LLC, and ST. JOSEPH OPERATING COMPANY, LLC, Plaintiffs, v. CIVIL ACTION NO. 2:25-cv-00579 CEDAR HOLDINGS, LLC, Defendant. MEMORANDUM OPINION AND JUDGMENT ORDER The Court has reviewed the Plaintiffs' Motion for Costs and Attorney Fees Pursuant to Rule 4(d)(2) (Document 7) and the Plaintiffs' Motion for Default and Final Confirmation of Arbitration Award (Document 10).

The Plaintiffs' Complaint for Confirmation of Arbitration Award (Document 1), filed on April 21, 2025, seeks confirmation of an arbitration award pursuant to 9 U.S.C. §13. The Plaintiffs submitted a dispute regarding an alleged breach of contract to arbitration.

The Defendant indicated that it would not appear or present a defense, and the arbitrator entered an award in favor of the Plaintiffs. The Plaintiffs were awarded \$500,000 in damages for the breach of contract claims, \$106,442.15 in attorney fees and costs, pre-judgment interest at a rate of 8.25% from July 6, 2023 until the date of the award, and post-judgment interest at the legal rate.

The Plaintiffs filed this action on April 21, 2025. They indicate that they requested waiver of service, pursuant to Federal Rule of Civil Procedure 4(d)(1), in a letter sent on or about May 7, 2025. The letter was delivered on May 8, 2025.

The Defendant did not accept service, and the Plaintiffs effectuated personal service through a process server on August 13, 2025. The Plaintiffs incurred costs of \$195.00 for the process server and \$980.00 in attorney fees in preparing the motion for costs and fees. They seek to recover those costs pursuant to Rule 4(d)(2), which provides that such costs must be imposed on a defendant who "fails, without good cause, to sign and return a waiver requested by a plaintiff." Fed.

R. Civ. P. 4(d)(2). The Plaintiffs attached supporting documentation, and the Defendant has not appeared in this matter, including to oppose the motion for fees. Accordingly, the Court ORDERS that the Plaintiffs' Motion for Costs and Attorney Fees Pursuant to Rule 4(d)(2) (Document 7) be

GRANTED and that the Defendant pay costs and attorney fees to the Plaintiffs in the total amount of \$1,175.00.

Default judgment is governed by Rule 55 of the Federal Rules of Civil Procedure. Rule 55(a) provides for entry of default by the clerk when a party fails to plead or otherwise defend the action. Fed. R. Civ. P. 55(a). Following entry of default, the Plaintiff may seek default judgment by the clerk if the claim is for a sum certain, or by the Court in all other cases.

Fed. R. Civ. P. 55(b)(1). “When the party against whom a default judgment is sought fails to make an appearance or fails to respond to the motion for default judgment, the court must determine if default judgment is appropriate based upon the allegations of the pleading,” accepting factual allegations as true. *Matrix Fin. Servs. Corp. v. Hall*, No. 3:16-CV-09438, 2017 WL 3142337, at *2 (S.D.W.

Va. July 25, 2017) (Eifert, M.J.) (citing *Ryan v. Homecomings Fin. Network*, 253 F.3d 778, 780-81 (4th Cir. 2001). Upon review of the Plaintiffs’ complaint, motion, and supporting documentation, the Court finds that a hearing is unnecessary.

The Defendant did not appear or present evidence during the 2 arbitration proceedings and has not appeared or presented evidence here. The motion and documentation set forth the amount due, and the Defendant corporation is neither a minor nor an incompetent person.

Thus, the Court finds that the Plaintiffs have established that they are entitled to default judgment and confirmation of the arbitration award. Wherefore, after thorough review and careful consideration, the Court ORDERS that the Plaintiffs’ Motion for Default and Final Confirmation of Arbitration Award (Document 10) be GRANTED.

The Court further ORDERS that judgment be entered in favor of the Plaintiffs and against the Defendant. The Court ORDERS that the Final Arbitration Award issued against the Defendant in Judicial Arbitration and Mediation Services, Inc. (“JAMS”) Case No. 5300000428 on September 22, 2024, is hereby CONFIRMED pursuant to the Federal Arbitration Act, 9 U.S.C. § 9, and that the Defendant be required to pay the Plaintiffs as follows: a. All amounts awarded in the Final Arbitration Award: i. \$500,000.00 on the Plaintiff’s breach of contract claim; ii. \$106,442.15 in attorney fees and costs; iii.

Pre- and post-judgment interest on the Final Arbitration Award until such amounts are paid by the Defendant at the legal rate of interest for post-judgment interest of 8.25% in the State of Texas as of July 2023; b. All costs and fees associated with the present action: i. \$405.00 in filing fees; ii. \$1,175.00 in costs and attorney fees as set forth in the Plaintiffs’ Motion for Costs and Attorneys Fees Pursuant to Rule 4(d)(2), as ordered herein; and 3 ii.

Post-judgment interest on the award of fees on costs related to the present matter until such amounts are paid by the Defendant at the current legal rate of interest for post-judgment interest of 7.50% in the State of Texas as of September 2025.

Finally, the Court ORDERS that this matter be DISMISSED from the Court's docket. The Court DIRECTS the Clerk to send a certified copy of this Order to counsel of record and to any unrepresented party. ENTER: January 6, 2026 Dire. Bengert UNITED STATES DISTRICT JUDGE SOUTHERN DISTRICT OF WEST VIRGINIA