

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
CALIFORNIA

**Wheelmaxx Inc. doing business as Wheelmaxx Off Road and Tire
Repair, Lubemaxx Lube and Oil, West Coast Tires & Auto Center,
and West Coast Tires & Truck Center v. Maraaj Singh Mahal, an
individual, and American Tire & Auto Repair Center, Inc., a
California corporation**

Wheelmaxx Inc. v. Mahal · No. 1:22-cv-01506-KES-SKO · Decided June 3, 2025

SUMMARY

The United States District Court for the Eastern District of California adopted findings and recommendations concerning Wheelmaxx Inc.'s motion for default judgment against Maraaj Singh Mahal and American Tire & Auto Repair Center, Inc. The court granted judgment on claims for breach of contract, trademark infringement, and unfair competition, denied the trade dress infringement claim, awarded damages, attorney's fees, and costs, and entered injunctive relief.

CASE DETAILS

COURT	United States District Court for the Eastern District of California
JURISDICTION	United States District Court for the Eastern District of California
DECIDED	June 3, 2025
DOCKET	1:22-cv-01506-KES-SKO
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiffs moved for default judgment. After a magistrate judge recommended granting the motion in part, no party objected, and the district court conducted de novo review and adopted the findings and recommendations.
STANDARD OF REVIEW	De novo review of the magistrate judge's findings and recommendations under 28 U.S.C. § 636(b)(1), because no objections were filed.
PRECEDENTIAL VALUE	Unknown
PARTIES	Wheelmaxx Inc. doing business as Wheelmaxx Off Road and Tire Repair, Lubemaxx Lube and Oil, West Coast Tires & Auto Center, and

West Coast Tires & Truck Center v. Maraaj Singh Mahal, American
Tire & Auto Repair Center, Inc.

TOPICS

default judgment trademark infringement breach of contract injunctions commercial litigation

PRACTICE AREAS

civil procedure contracts intellectual property commercial litigation remedies

QUESTIONS PRESENTED

1. Whether plaintiffs satisfied the applicable factors for entry of default judgment on their breach-of-contract, trademark-infringement, trade-dress-infringement, and unfair-competition claims.
2. Whether plaintiffs were entitled to the damages, attorney fees, and costs requested.
3. Whether injunctive relief should be entered against defendants.

HOLDINGS

1. Default judgment was warranted on plaintiffs' breach-of-contract, trademark-infringement, and unfair-competition claims.
2. Default judgment was denied on plaintiffs' trade-dress-infringement claim.
3. Plaintiffs were awarded actual damages of \$26,265.50 because some requested damages were not clearly ascertainable.
4. Plaintiffs were awarded \$4,830.00 in reasonable attorney fees and \$1,047.20 in costs, and defendants were enjoined from infringing the Wheelmaxx Marks, engaging in unfair competition, and failing to comply with specified post-termination obligations under the Franchise Agreement.

KEY QUOTATIONS

“Plaintiffs’ motion for default judgment, Doc. 21, is GRANTED with respect to plaintiffs’ claims for breach of contract, trademark infringement and unfair competition, and DENIED with respect to plaintiffs’ claim for trade dress infringement” (at 2)

“Defendants, and their agents, servants, employees, and attorneys, and all others in active concert or participation with them are ENJOINED” (at 2)

FACTUAL BACKGROUND

Plaintiffs alleged that defendants breached a franchise agreement, infringed the Wheelmaxx Marks and trade dress, and engaged in unfair competition. Plaintiffs sought default judgment, damages, attorney fees, costs, and injunctive relief. The court accepted the recommendation that some requested damages were not clearly ascertainable and therefore reduced the damages award.

PROCEDURAL HISTORY

Plaintiffs filed a motion for default judgment on claims for breach of contract, trademark infringement, trade dress infringement, and unfair competition. The magistrate judge recommended granting default judgment on the breach-of-contract, trademark-infringement, and unfair-competition claims, denying it on the trade-dress claim, and reducing the requested damages because some amounts were not clearly ascertainable. The district court conducted de novo review, adopted the recommendations in full, awarded damages, attorney fees, and costs, entered injunctive relief, and closed the case.

DISPOSITION

other

CASES CITED

- Eitel v. McCool, 782 F.2d 1470 (9th Cir. 1986)

OPINION

1 2 3 4 5 6 7 UNITED STATES DISTRICT COURT 8 EASTERN DISTRICT OF CALIFORNIA
9 10 WHEELMAXX INC. doing business as Case No. 1:22-cv-01506-KES-SKO WHEELMAXX
OFF ROAD AND TIRE 11 REPAIR, LUBEMAXX LUBE AND OIL, ORDER ADOPTING
FINDINGS AND WEST COAST TIRES & AUTO RECOMMENDATIONS AND GRANTING
IN 12 PART PLAINTIFFS’ MOTION FOR CENTER, and WEST COAST TIRES & DEFAULT
JUDGMENT 13 TRUCK CENTER, Docs.

21, 30 14 Plaintiff, 15 v. 16 MARAAJ SINGH MAHAL, an individual; AMERICAN TIRE &
AUTO REPAIR 17 CENTER, INC., a California corporation, 18 Defendants. 19 20 21 On
November 11, 2023, Plaintiff Wheelmaxx, Inc., doing business as Wheelmaxx Off 22 Road and
Tire Repair, Lubemaxx Lube and Oil, West Coast Tires & Auto Center and West 23 Coast Tires &
Truck Center (collectively “plaintiffs”), filed a motion for default judgment 24 against Maraaj
Singh Mahal, an individual, and American Tire & Auto Repair Center, Inc., a 25 California
corporation (“American Tire”) (collectively “defendants”).

Doc. 21. This matter was 26 referred to a United States magistrate judge pursuant to 28 U.S.C. §
636(b)(1)(B) and Local 27 Rule 302. 28 1 On March 29, 2024, the assigned magistrate judge
issued findings and recommendations, 2 recommending that the motion for default judgment be
granted in part. Doc. 30. Specifically, 3 the findings and recommendations found that plaintiffs
had satisfied the requirements for 4 entering default judgment as to its claims for breach of
contract, trademark infringement, and 5 unfair competition under the factors laid out in Eitel v.
McCool, 782 F.2d 1470 (9th Cir.

1986). 6 Id. at 5–9. While the findings and recommendations found that the amount sought for
attorneys’ 7 fees and costs of litigation was reasonable, they recommended reducing the amount of

damages 8 awarded, as some of plaintiffs' requested damages were not "clearly ascertainable." See Cal. 9 Civ. Proc. Code § 3301; id. at 15–18.

The findings and recommendations contained notice that 10 any objections thereto were to be filed within twenty-one (21) days after service. Id. at 19. No 11 party filed objections, and the time to do so has passed. 12 In accordance with the provisions of 28 U.S.C. § 636(b)(1), the Court has conducted a de 13 novo review of this case.

Having carefully reviewed the file, the Court concludes that the 14 findings and recommendations are supported by the record and proper analysis. 15 Accordingly, IT IS ORDERED that: 16 1. The findings and recommendations, filed on March 29, 2024, Doc. 30, are 17 ADOPTED IN FULL; 18 2. Plaintiffs' motion for default judgment, Doc. 21, is GRANTED with respect to 19 plaintiffs' claims for breach of contract, trademark infringement and unfair 20 competition, and DENIED with respect to plaintiffs' claim for trade dress 21 infringement; 22 3.

Plaintiffs are awarded actual damages in the amount of \$26,265.50; 23 4. Plaintiffs are awarded reasonable attorney's fees in the amount of \$4,830.00 and 24 costs of suit in the amount of \$1,047.20; 25 5. Defendants, and their agents, servants, employees, and attorneys, and all others in 26 active concert or participation with them are ENJOINED 27 i. from infringing upon the Wheelmaxx Marks, 28 ii. from otherwise engaging in unfair competition with Wheelmaxx; and 1 ili. to comply with all post-termination monetary and de-identification 2 obligations under the Franchise Agreement; and 3 6.

Plaintiffs are ordered to mail a copy of this Order to defendants at their last known 4 address. 5 7. The Clerk of Court is directed to close this case. 6 7 g | IT ISSO ORDERED. _ 9 Dated: _ June 2, 2025 4h 10 UNITED STATES DISTRICT JUDGE 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28