

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Arkansas Pipe Trades Health and Welfare Fund v. Stiles Consulting
Firm, LLC

Arkansas Pipe Trades · No. 8:24-cv-01894-ODW (KESx) · Decided September 2, 2025

SUMMARY

The United States District Court for the Central District of California granted plaintiffs’ motion for default judgment against Stiles Consulting Firm, LLC and Corey Stiles. The court found liability under ERISA for delinquent employee benefit contributions and awarded \$54,631.75, consisting of unpaid contributions, interest, liquidated damages, attorneys’ fees, and costs.

CASE DETAILS

COURT	United States District Court for the Central District of California
WRITING FOR THE COURT	Otis D. Wright II
JURISDICTION	United States District Court for the Central District of California
DECIDED	September 2, 2025
DOCKET	8:24-cv-01894-ODW (KESx)
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiffs moved for default judgment after the Clerk entered Defendants' default for failure to appear or defend in an action seeking delinquent employee-benefit contributions and related relief under ERISA and a collective bargaining agreement.
STANDARD OF REVIEW	Entry of default judgment under Federal Rule of Civil Procedure 55(b) is discretionary. Well-pleaded allegations are taken as true after default except those concerning damages, which must be supported by evidence.
PRECEDENTIAL VALUE	unpublished

TOPICS

- default judgment
- employee benefits
- attorney fees
- costs
- civil procedure

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether Plaintiffs satisfied the procedural requirements for entry of default judgment under Federal Rules of Civil Procedure 54(c) and 55 and the Central District of California's local rules.
2. Whether the Eitel factors supported entry of default judgment against Defendants.
3. Whether Plaintiffs sufficiently established liability under ERISA § 515 for delinquent employee-benefit contributions, including Corey Stiles's liability as the alter ego of Stiles Consulting.
4. Whether Plaintiffs submitted sufficient evidence to support unpaid contributions, interest, liquidated damages, attorneys' fees, and costs.

HOLDINGS

1. Plaintiffs satisfied the requirements of Federal Rules of Civil Procedure 54(c) and 55 and Central District of California Local Rules 55-1 and 55-2, including proof of service, entry of default, and the inapplicability of the Servicemembers Civil Relief Act.
2. The Eitel factors weighed in favor of entering default judgment against Defendants.
3. Plaintiffs sufficiently established that Stiles Consulting violated ERISA § 515 by failing to submit required reports and pay contributions for Union employees, and that Corey Stiles was liable as the company's alter ego.
4. Plaintiffs adequately supported an award of \$19,500.75 in unpaid contributions, \$1,744.79 in liquidated damages, \$1,377.13 in prejudgment interest, \$29,563.75 in attorneys' fees, and \$2,445.33 in costs, for a total award of \$54,631.75.

KEY QUOTATIONS

“However, before a court can enter a default judgment against a defendant, the plaintiff must satisfy the procedural requirements in Rules 54(c) and 55, and Central District Civil Local Rules 55-1 and 55-2.” (at 2)

“Although well-pleaded allegations are taken as true, “claims which are legally insufficient[] are not established by default.”” (at 5)

“As a result, “it is fair to say that the purported non-signatory is actually a signatory, and therefore an ‘employer who is obligated to make contributions’ within the meaning of” ERISA § 515.” (at 6)

“A default judgment must not differ in kind from, or exceed in amount, what is demanded in the pleadings.” (at 7)

FACTUAL BACKGROUND

Stiles Consulting Firm, LLC entered into a Project Labor Agreement that bound it to a construction collective bargaining agreement requiring monthly reports and fringe-benefit contributions for Union employees working on an Arkansas project. Beginning in September 2023, Stiles Consulting stopped filing reports and paying contributions and assessments, and the Union terminated the agreement in January 2024. Plaintiffs alleged that

Corey Stiles, the company's sole managing member, used company funds personally and failed to maintain the company as a separate entity. Defendants were served but did not appear or defend.

PROCEDURAL HISTORY

Plaintiffs filed the action on August 30, 2024, and served Defendants on December 4 and 6, 2024. After Defendants failed to appear, the Clerk entered default on January 21, 2025. Plaintiffs moved for default judgment on March 25, 2025, and the Court granted the motion, awarding \$54,631.75 and directing that judgment issue.

DISPOSITION

other

CASES CITED

- PepsiCo, Inc. v. Cal. Sec. Cans, 238 F. Supp. 2d 1172, 1174-75 (C.D. Cal. 2002)
- Draper v. Coombs, 792 F.2d 915, 924-25 (9th Cir. 1986)
- Aldabe v. Aldabe, 616 F.2d 1089, 1092 (9th Cir. 1980)
- TeleVideo Systems, Inc. v. Heidenthal, 826 F.2d 915, 917-18 (9th Cir. 1987) (per curiam)
- Geddes v. United Financial Group, 559 F.2d 557, 560 (9th Cir. 1977)
- Adriana International Corp. v. Thoeren, 913 F.2d 1406, 1414 (9th Cir. 1990)
- Eitel v. McCool, 782 F.2d 1470, 1471-72 (9th Cir. 1986)
- Vietnamese Reform Party v. Viet Tan-Viet. Reform Party, 416 F. Supp. 3d 948, 962 (N.D. Cal. 2019)
- Cripps v. Life Insurance Co. of North America, 980 F.2d 1261, 1267 (9th Cir. 1992)
- Winterrowd v. David Freedman & Co., 724 F.2d 823, 826 (9th Cir. 1984)
- Board of Trustees of Bay Area Roofers Health & Welfare Trust Fund v. Westech Roofing, 42 F. Supp. 3d 1220, 1227 (N.D. Cal. 2014)
- Trustees of Screen Actors Guild-Producers Pension & Health Plans v. NYCA, Inc., 572 F.3d 771, 776-77 (9th Cir. 2009)
- Landstar Ranger, Inc. v. Parth Enterprises, Inc., 725 F. Supp. 2d 916, 922 (C.D. Cal. 2010)
- Duralar Technologies LLC v. Plasma Coating Technologies, Inc., 848 F. App'x 252, 255 (9th Cir. 2021)
- Northwest Administrators, Inc. v. Albertson's, Inc., 104 F.3d 253, 257 (9th Cir. 1996)
- Board of Trustees of the Boilermaker Vacation Trust v. Skelly, Inc., 389 F. Supp. 2d 1222, 1226 (N.D. Cal. 2005)
- Operating Engineers Pension Trust v. Beck Engineering & Surveying Co., 746 F.2d 557, 569 (9th Cir. 1984)
- Operating Engineers Pension Trust v. Reed, 726 F.2d 513, 514 (9th Cir. 1984)
- McElwaine v. US West, Inc., 176 F.3d 1167, 1173 (9th Cir. 1999)
- Edmo v. Corizon, Inc., 97 F.4th 1165, 1168-69 (9th Cir. 2024)
- Moreno v. City of Sacramento, 534 F.3d 1106, 1111 (9th Cir. 2008)
- Hensley v. Eckerhart, 461 U.S. 424, 430 n.3, 433-34 (1983)

- Blum v. Stenson, 465 U.S. 886, 897 (1984)
- Chalmers v. City of Los Angeles, 796 F.2d 1205, 1210 (9th Cir. 1986)
- Kerr v. Screen Extras Guild, Inc., 526 F.2d 67, 70 (9th Cir. 1975)

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