

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Multiple Energy Technologies, LLC v. Seth Casden

No. 2:21-cv-01149-ODW (RAOx) (C.D. Cal. Feb. 21, 2025) · No. No. 2:21-cv-01149-ODW (RAOx) · Decided
February 21, 2025

SUMMARY

The United States District Court for the Central District of California addresses consolidated post-trial motions in a false-advertising and tortious-interference action brought by Multiple Energy Technologies, LLC against Seth Casden. The court denies Casden’s renewed motion for judgment as a matter of law and addresses his alternative motion for a new trial, along with other post-trial matters arising from the judgment and bankruptcy stay.

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	February 21, 2025
DOCKET	No. 2:21-cv-01149-ODW (RAOx)
DISPOSITION	other
PROCEDURAL POSTURE	After a jury trial and entry of judgment for Multiple Energy Technologies, LLC, Defendant Seth Casden renewed motions for judgment as a matter of law, a new trial, and alteration or amendment of the judgment, and sought waiver or reduction of the supersedeas bond and a stay of enforcement. Plaintiff renewed its motion for attorneys' fees.
STANDARD OF REVIEW	For Rule 50(b), judgment as a matter of law is proper only when, viewing the evidence in the light most favorable to the nonmoving party, no legally sufficient evidentiary basis permits a reasonable jury to find for that party; the court may not weigh evidence or make credibility determinations. Rule 59(a) permits a new trial when the verdict is against the clear or great weight of the evidence, rests on false evidence, or would result in a miscarriage of justice, and permits the court to weigh evidence and assess credibility. Rule 59(e) relief is extraordinary and generally requires newly discovered evidence, clear

error, an intervening change in controlling law, or manifest injustice. Requests to waive or reduce a supersedeas bond are evaluated under the Dillon factors, and a stay is evaluated under the Nken factors.

PRECEDENTIAL VALUE

unpublished

TOPICS

commercial litigation

trademark infringement

attorney fees

motion for new trial

motion for reconsideration

PRACTICE AREAS

civil procedure

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intellectual property

attorney fees

bankruptcy

QUESTIONS PRESENTED

1. Whether Casden was entitled to judgment as a matter of law under Rule 50(b) on MET's Lanham Act false-advertising and tortious-interference claims.
2. Whether the jury verdict and the Court's damages and remedies rulings warranted a new trial under Rule 59(a).
3. Whether the judgment should be altered or amended under Rule 59(e).
4. Whether Casden established grounds for waiver or reduction of the supersedeas bond and a stay of enforcement.
5. Whether MET timely sought attorneys' fees and whether the requested fees should be reduced for block billing, clerical work, duplication, or work on non-Lanham Act claims.

HOLDINGS

1. A party seeking renewed judgment as a matter of law may raise only grounds preserved in its pre-verdict Rule 50(a) motion, and the preserved grounds must be stated with enough specificity to notify the court and opposing party of the issue.
2. The trial evidence provided a legally sufficient basis for the jury's findings that Casden made literally false commercial statements, that were materially deceptive or likely to deceive, and that injured or were likely to injure MET.
3. The Court properly treated Casden's salary from Hologenix as profits attributable to the false advertising under the circumstances of this case and properly trebled the resulting award under 15 U.S.C. § 1117(a).
4. The Noerr-Pennington doctrine did not immunize Casden from liability for tortious interference with MET's Settlement Agreement.
5. The agency immunity defense did not apply because Casden tortiously interfered with the Settlement Agreement for his own personal benefit.
6. An advisory jury's findings do not bind the district court, and the court may accept or reject them.

7. Casden did not show that the verdict, damages, evidentiary rulings, defense rulings, or attorneys' fee determination were against the clear weight of the evidence, legally erroneous, or a miscarriage of justice warranting a new trial.
8. Casden was not entitled to alter or amend the judgment because he presented repeated arguments and failed to show newly discovered evidence, clear error, an intervening change in controlling law, or manifest injustice.
9. Casden failed to establish grounds for waiver or reduction of the supersedeas bond or for a stay of enforcement.
10. MET timely filed its attorneys' fee motion and was entitled to a reduced award of \$598,142.12.

KEY QUOTATIONS

“Keep something in mind. These issues that we submit to the jury and whatever their conclusions are, are advisory only. And I’m free to accept them or reject them.” (at 10–11)

“Casden tortiously interfered with the Settlement Agreement for his own personal benefit such that the agency immunity defense does not apply.” (at 9)

“As Casden has not met his burden to show that any of the Dillon factors weigh in his favor, the Court finds they do not support waiver or modification of the bond requirement or a stay of execution.” (at 22)

FACTUAL BACKGROUND

MET developed and marketed a patented bioceramic infrared material called Redwave, while Hologenix, whose co-founder and CEO was Casden, marketed the competing Celliant product. MET and Hologenix settled an earlier false-advertising action, agreeing to payments totaling \$2.5 million and stipulating to a permanent injunction prohibiting statements suggesting that the FDA had approved Celliant or determined that it provided specified benefits. After Casden made or approved statements that violated the injunction, Hologenix filed for Chapter 11 bankruptcy on the eve of a \$1.4 million settlement payment, and MET ultimately received none of the settlement value. The Court found Casden's conduct supported Lanham Act liability and tortious interference liability, including that he acted for his own personal interests.

PROCEDURAL HISTORY

MET sued Casden for Lanham Act false advertising, California false advertising, California unfair competition, and tortious interference with contractual relations. After trial, the Court granted MET judgment as a matter of law on tortious interference, the jury found for MET on Lanham Act false advertising, and the Court awarded damages, disgorgement, treble damages, injunctive relief, and attorneys' fees. Following a bankruptcy stay, the parties renewed their post-trial motions after the bankruptcy court lifted the stay. The Court denied Casden's post-trial motions and bond-and-stay motion, and granted MET's attorneys' fee motion in part.

DISPOSITION

other

CASES CITED

- Winarto v. Toshiba Am. Elecs. Components, Inc., 274 F.3d 1276, 1283, 1287 (9th Cir. 2001)
- Tortu v. Las Vegas Metro. Police Dep't, 556 F.3d 1075, 1081 (9th Cir. 2009)
- Murphy v. City of Long Beach, 914 F.2d 183, 186 (9th Cir. 1990)
- E.E.O.C. v. Go Daddy Software, Inc., 581 F.3d 951, 961 (9th Cir. 2009)
- Escriba v. Foster Poultry Farms, Inc., 743 F.3d 1236, 1242 (9th Cir. 2014)
- Reeves v. Sanderson Plumbing Prods., Inc., 530 U.S. 133, 149–51 (2000)
- Fisher v. City of San Jose, 558 F.3d 1069, 1074 (9th Cir. 2009)
- Avid Identification Sys. v. Schering-Plough Corp., 33 F. App'x 854, 856 (9th Cir. 2002)
- U-Haul Intern., Inc. v. Jartran, Inc., 793 F.2d 1034, 1042 (9th Cir. 1986)
- Rolex Watch, U.S.A., Inc. v. Michel Co., 179 F.3d 704, 712 (9th Cir. 1999)
- Lindy Pen Co. v. Bic Pen Corp., 982 F.2d 1400, 1408 (9th Cir. 1993), abrogated on other grounds by SunEarth, Inc. v. Sun Earth Solar Power Co., 839 F.3d 1179 (9th Cir. 2016)
- Relevant Grp., LLC v. Nourmand, 116 F.4th 917 (9th Cir. 2024)
- Hannibal Pictures, Inc. v. Sonja Prods., LLC, No. 2:06-cv-01814 WDK (VBKx), 2009 WL 10673572, at *1 (C.D. Cal. Aug. 31, 2009), aff'd, 432 F. App'x 700 (9th Cir. 2011)
- Ashland v. Ling–Temco–Vought, Inc., 711 F.2d 1431, 1438 (9th Cir. 1983)
- Sole Energy Co. v. Petrominerals Corp., 128 Cal. App. 4th 212, 232 (2005)
- Silver Sage Partners, Ltd. v. City of Desert Hot Springs, 251 F.3d 814, 819 (9th Cir. 2001)
- Ruvalcaba v. City of Los Angeles, 64 F.3d 1323, 1328 (9th Cir. 1995)
- E.E.O.C. v. Pape Lift, Inc., 115 F.3d 676, 680 (9th Cir. 1997)
- Medisim Ltd. v. BestMed, LLC, 758 F.3d 1352, 1359 (Fed. Cir. 2014)
- Experience Hendrix L.L.C. v. Hendrixlicensing.com Ltd., 762 F.3d 829, 842 (9th Cir. 2014)
- Guy v. City of San Diego, 608 F.3d 582, 586 (9th Cir. 2010)
- Allied Chem. Corp. v. Daiflon, Inc., 449 U.S. 33, 36 (1980)
- Hensley v. Eckerhart, 461 U.S. 424, 433 (1983)
- Horphag Rsch. Ltd. v. Garcia, 475 F.3d 1029, 1039 (9th Cir. 2007)
- SunEarth, Inc. v. Sun Earth Solar Power Co., 839 F.3d 1179, 1180–81 (9th Cir. 2016)
- Kona Enters., Inc. v. Est. of Bishop, 229 F.3d 877, 890 (9th Cir. 2000)
- Carroll v. Nakatani, 342 F.3d 934, 945 (9th Cir. 2003)
- Turner v. Burlington N. Santa Fe R. Co., 338 F.3d 1058, 1063 (9th Cir. 2003)
- Exxon Shipping Co. v. Baker, 554 U.S. 471, 485 n.5 (2008)
- Zimmerman v. City of Oakland, 255 F.3d 734, 740 (9th Cir. 2001)
- McDowell v. Calderon, 197 F.3d 1253, 1255 n.1 (9th Cir. 1999)
- Rachel v. Banana Republic, Inc., 831 F.2d 1503, 1505 n.1 (9th Cir. 1987)
- Cotton ex rel. McClure v. City of Eureka, 860 F. Supp. 2d 999, 1027–29 (N.D. Cal. 2012)

- Ketab Corp. v. Mesriani L. Grp., No. 2:14-cv-07241-RSWL (MRWx), 2016 WL 5921932, at *2 (C.D. Cal. Feb. 1, 2016)
- ConsumerDirect, Inc. v. Pentius, LLC, No. 8:21-cv-01968-JVS (ADSx), 2024 WL 4329077, at *2 (C.D. Cal. Sept. 20, 2024)
- Hoffman v. Markowitz, No. 2:16-cv-01972-SJO (FFMx), 2017 WL 8292769, at *3 (C.D. Cal. Oct. 4, 2017)
- Nken v. Holder, 556 U.S. 418, 426, 434 (2009)
- Doe #1 v. Trump, 957 F.3d 1050, 1058, 1061, 1070 (9th Cir. 2020)
- Octane Fitness, LLC v. ICON Health & Fitness, Inc., 572 U.S. 545, 554 (2014)
- Gracie v. Gracie, 217 F.3d 1060, 1069–70 (9th Cir. 2000)
- Intel Corp. v. Terabyte Int'l, Inc., 6 F.3d 614, 622 (9th Cir. 1993)
- Kerr v. Screen Extras Guild, Inc., 526 F.2d 67, 70 (9th Cir. 1975)
- Welch v. Metro. Life Ins. Co., 480 F.3d 942, 945 n.2, 948 (9th Cir. 2007)
- Nadarajah v. Holder, 569 F.3d 906, 921 (9th Cir. 2009)
- Cleary v. News Corp., 30 F.3d 1255, 1262–63 (9th Cir. 1994)
- Bigler-Engler v. Breg, Inc., 7 Cal. App. 5th 276, 299, 303 (2017)
- Jackson v. Gaspar, No. 2:19-cv-10450-DOC (Ex), 2022 WL 2155975, at *7 (C.D. Cal. Feb. 24, 2022)
- Monster Energy Co. v. Vital Pharms., Inc., No. 5:18-cv-01882-JGB (SHKx), 2023 WL 9419597, at *9 (C.D. Cal. Dec. 14, 2023)
- Mattel, Inc. v. MGA Ent., Inc., 801 F. Supp. 2d 950, 956–57 (C.D. Cal. 2011)
- Webb v. Bd. of Educ., 471 U.S. 234, 250–51 (1985)