

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
ALABAMA

Helcim USA, Inc. v. MJ/S Discount Warehouse, Inc., et al.

Helcim · No. 2:24-cv-1643-ACA · Decided February 2, 2026

SUMMARY

The United States District Court for the Northern District of Alabama awarded Helcim USA, Inc. \$43,645.60 in attorney’s fees after previously granting default judgment on claims for fraud, breach of contract, and indemnification. The court excluded fees attributable to related Washington litigation and an improperly filed first motion for default judgment.

CASE DETAILS

COURT	United States District Court for the Northern District of Alabama
WRITING FOR THE COURT	Annemarie Carney Axon
JURISDICTION	United States District Court for the Northern District of Alabama
DECIDED	February 2, 2026
DOCKET	2:24-cv-1643-ACA
DISPOSITION	other
PROCEDURAL POSTURE	After granting Plaintiff's motion for default judgment on claims for fraud, breach of contract, and indemnification, the court determined the amount of attorney's fees recoverable and withheld final judgment pending supporting documentation.
STANDARD OF REVIEW	Attorney's-fee requests are reviewed for reasonableness, and excessive, redundant, or otherwise unnecessary hours must be excluded.
PRECEDENTIAL VALUE	unpublished district court memorandum opinion

TOPICS

- attorney fees
- default judgment
- default
- civil procedure
- breach of contract

PRACTICE AREAS

- civil procedure
- contracts
- commercial litigation
- remedies

QUESTIONS PRESENTED

1. What amount of attorney's fees was reasonable and recoverable after the court granted default judgment?
2. Whether fees incurred exclusively in the voluntarily dismissed Washington litigation were recoverable.
3. Whether fees incurred in connection with the premature motion for default judgment were recoverable.

HOLDINGS

1. Fees relating exclusively to the voluntarily dismissed Washington litigation were not recoverable.
2. Fees incurred in connection with Helcim's first motion for default judgment were not recoverable because Helcim filed that motion before obtaining an entry of default.
3. Helcim was entitled to \$43,645.60 in attorney's fees, rather than the \$84,468.10 requested.

KEY QUOTATIONS

"Attorneys "must exclude from their fee applications excessive, redundant, or otherwise unnecessary hours.""

"The two-step process to receive a default judgment is clearly delineated in Federal Rule of Civil Procedure 55."

FACTUAL BACKGROUND

Helcim first litigated its claims against Defendants and sought an injunction in Washington, voluntarily dismissed that action, and refiled in Alabama. In the Alabama action, Helcim filed a motion for default judgment before obtaining an entry of default, and the court denied that motion. Helcim later obtained default judgment on fraud, breach-of-contract, and indemnification claims and sought \$84,468.10 in attorney's fees under the contract.

PROCEDURAL HISTORY

The court previously entered an order granting Helcim's motion for default judgment and awarding liquidated damages, while deferring the attorney's-fee issue. Helcim submitted fee documentation seeking \$84,468.10. The court disallowed fees attributable exclusively to prior Washington litigation and to an unsuccessful premature motion for default judgment, awarded \$43,645.60, and stated that it would enter a separate final judgment.

DISPOSITION

other

CASES CITED

- Am. C.L. Union of Georgia v. Barnes, 168 F.3d 423, 428 (11th Cir. 1999)

OPINION

IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ALABAMA SOUTHERN DIVISION HELCIM USA, INC.,]] Plaintiff,]] v.] Case No. 2:24-cv-1643-ACA] MJ/S DISCOUNT WAREHOUSE, INC.,] et al.,]] Defendants.] MEMORANDUM OPINION AND ORDER This court previously granted Plaintiff Helcim USA, Inc's motion for default judgment on its claims for fraud, breach of contract, and indemnification and awarded Helcim liquidated damages, but withheld final judgment until the court received documentation in support of Helcim's request for attorney's fees.

(Doc. 50 at 1; see doc. 5 ¶ 81 (seeking attorney's fees); doc. 1-1 at 15 (affording Helcim attorney's fees under the contract)). After reviewing Helcim's documentation (docs. 51, 54), the court WILL AWARD Helcim \$43,645.60 in attorney's fees. Helcim seeks \$84,468.10 in attorney's fees. (Doc. 51 at 2). Attorneys "must exclude from their fee applications excessive, redundant, or otherwise unnecessary hours." Am.

C.L. Union of Georgia v. Barnes, 168 F.3d 423, 428 (11th Cir. 1999) (quotation marks omitted) (alteration accepted). If a fee applicant fails to do so, the court must "prun[e] out" those hours itself. Id. The court finds that two groups of fees are not reasonable.

First, some fees relate to a case in Washington that was voluntarily dismissed. (See doc. 54-1 at 10-12, 15-16, 19-21, 25-27, 30-31, 34-37, 41-43, 46-47). The invoices indicate that Helcim first litigated its claims against Defendants and sought an injunction in Washington, but then dismissed that case and re-filed in Alabama. (See id. at 43).

The court will not award attorney's fees for the entries related exclusively to the Washington litigation, amounting to \$39,492.50. Second, Helcim moved for default judgment before moving for entry of default. (Doc. 29).

The court denied the motion. (See doc. 30). The two-step process to receive a default judgment is clearly delineated in Federal Rule of Civil Procedure 55. So the court will not award attorney's fees for the entries related to the first motion for default judgment (see doc. 54-1 at 63-64; doc. 51-1 at 4), amounting to \$1330.00.

The court WILL AWARD Helcim attorney's fees in the amount of \$43,645.60. The court will enter a separate final judgment consistent with this memorandum opinion and order and the court's previous memorandum opinion and order. (Doc. 50). DONE and ORDERED this February 2, 2026. ANNEMARIE CARNEY AXON UNITED STATES DISTRICT JUDGE