

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)